



40B Comprehensive Permit Application June 28, 2018

The Revitalization of Millers River Apartments

15 Lambert Street Cambridge, MA 02141

Cambridge Housing Authority
Cambridge Affordable Housing Corporation

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June 28, 2018

Board of Zoning Appeal City of Cambridge 831 Massachusetts Avenue Cambridge, MA 02139

Re: Comprehensive Permit Application for Millers River Apartments

Dear Board of Zoning Appeal Members,

The Cambridge Housing Authority (CHA) is pleased to submit this comprehensive permit application in connection with the rehabilitation of Millers River Apartments, a 298-unit apartment building serving elderly and disabled households in East Cambridge. This comprehensive permit application is submitted in accordance with Massachusetts General Laws Chapter 40B, Sections 20-23.

This statute authorizes the Board of Zoning Appeal to grant exemptions from local ordinances and act on behalf of all local boards in this regard if the proposed housing is "reasonable and consistent with local needs." Because the proposed project is providing critical renovations to an existing building in order to preserve affordable housing in Cambridge, the CHA believes that this project meets those standards. In addition, this is the first phase of a multiphase master plan for the parcel, which has the potential to add new units of affordable housing in Cambridge. Elements of this Comprehensive Permit, such as the new community center addition and curb cut, are critical elements of the master plan to both improve programming and services for our residents and make way for new development in subsequent phases.

The CHA is an independent agency governed by a five-member Board of Commissioners with four members appointed by the City of Cambridge, and one member by the Commonwealth of Massachusetts. The Cambridge Affordable Housing Corporation, the Petitioner of this application, is 100 percent controlled by the CHA and all board members are the same with the addition of CHA's Executive Director. CHA is dedicated to enhancing the quality of life in Cambridge through innovative development and comprehensive management of communities and is currently managing 50 housing developments containing approximately 2,900 units of deeply affordable housing and administering over 4,500 Housing Choice vouchers. In the past ten years, CHA has served as the developer in projects totaling \$330 million to create or preserve 1,326 affordable units in Cambridge. In the past two fiscal years, the CHA has spent \$81.5 million on construction projects across the City of Cambridge.

At Millers River Apartments, CHA proposes to renovate 297 units (one of the existing housing units will be repurposed) and restore three units from a non-housing to housing use for a development project totaling 300 units of affordable housing in East Cambridge. Millers River consists of a 1.6-acre parcel of land bounded by four

very different urban edges. Cambridge Street, to the south, is a commercial "Main Street" filled with a diverse mix of local retailers, service providers and places of worship. Lambert Street, to the east, is a quiet residential street. Across Gore and Medford Streets to the north, is a big box retail development with easy access to shopping, restaurants, and health care. And on the east edge of the property lies the Grand Junction Railroad and the future site of the City's proposed Grand Junction Greenway. This lively location makes Millers River a prime location for housing.

One hundred percent of the units at Millers River building will be affordable to low-income households with incomes below 80 percent of area median income (AMI), and will have their rents subsidized through the Section 8 Project-Based Voucher Program. In addition, 282 of the proposed 300 units will be restricted to households at or below 60 percent AMI in accordance with the program requirements of the Low-Income Housing Tax Credit (LIHTC) Program. The average income of households at Millers River, however, is below 40 percent AMI, much lower than the affordability restrictions by the Section 8 and LIHTC programs. Due to the Project Based Vouchers at Millers River, all households at Millers River can achieve affordable rent levels equal to approximately 30 percent of the household's income.

The upcoming renovations at Millers River are long-awaited, coming after 15-plus years of planning efforts with residents and three previous development attempts in 2002, 2009, and 2012. Resident engagement in the planning and design process picked back up in earnest last summer as CHA aggressively pursued the required private activity bonds necessary to complete the project's financing. In the last year, the CHA has held 18 meetings, office hours, a Green Charrette, and other interactive events with residents at Millers River. In addition, some Millers River residents have been relocated to other CHA developments through a comprehensive relocation program and the CHA has stopped filling vacant units at the property to get ready for the construction.

The proposed rehabilitation of Millers River Apartments, long planned and long needed, is extensive given the design deficiencies, functional obsolescence, and building systems failures existing at the building. Since the building's original occupancy in 1972, the building has suffered from significant water and air infiltration through the windows and concrete structure of the building. Adding a new building envelope to the building will not only eliminate sources of water and air infiltration, it will also increase the energy efficiency of the building and provide for better resident comfort. Additionally, the building's ventilation system is non-functional which impacts the air quality in the building while also placing the building under negative pressure (aiding the water and air infiltration and creating a wind tunnel affect as doors open and close). The existing plumbing and sanitary piping is very brittle, and prone to failure. The electrical system is antiquated and is from a manufacturer that is no longer in business, so repair or replacement parts are not available. Many of the kitchens and bathrooms are original, and well beyond their useful life. The building would also benefit from converting the existing studio apartments into small one-bedroom units by incorporating the recessed balconies into interior living space. One-bedroom apartments are much more desirable and marketable than studio apartments. Finally, complicating the rehabilitation, is the presence of asbestos containing materials in the floor mastic, in the ceiling coating, and in the joint compound of the drywall.

Construction at Millers River, which is estimated to cost \$95 million, is being funded via a mix of sources including private equity via 4% Low Income Housing Tax Credit (LIHTC) Program, tax exempt bonds, long-term private debt, and loans from the CHA. The project is on a very tight schedule, and must close on its financing before the end of the year or risk losing it. Indeed, the CHA has been working for years to assemble a funding path forward for this very expensive rehabilitation at this large property. A critical element of the Millers River funding was the 2016

approval by the U.S. Department of Housing and Urban Development (HUD) to provide Section 8 vouchers for the property through HUD's finding that the property met the definition of obsolescence under Section 18 of the U.S. Housing Act of 1937 (as amended). The added income provided by these Section 8 vouchers will allow the CHA to fund approximately half of the needed renovations. HUD's approval of the Section 8 vouchers established a December 31, 2018 deadline to close on the financing for the Millers River rehabilitation. The second half of the rehabilitation cost will be funded through private equity the property will receive through the Low-Income Housing Tax Credit Program. As part of its financing and to obtain the tax credits, the CHA received an allocation of tax-exempt private activity bonds from the Commonwealth of Massachusetts for the Millers River project. These bonds also require that the CHA close on the financing by the end of the year or risk having them withdrawn from the project.

This comprehensive permit application is specific to renovating the existing tower and building a new community center and does not cover any future development proposals. Millers River is located across two zoning districts under the Cambridge Zoning Ordinance and one 510-square-foot zoning district under the Somerville Zoning Ordinance: Business A (B-A) and Residence C-3 (C-3) in Cambridge, and Business B in Somerville. In this comprehensive permit application, CHA is seeking relief from the Board of Zoning Appeal as described below.

Dimensional Regulations: Millers River will require dimensional relief regarding front and side setbacks in the C-3 district.

• Minimum Setback – Side Yard/Railroad Right of Way: The existing tower, the existing community building, and the connector to the existing community building at Millers River Apartments are proposed to remain. The existing tower is completely within the C-3 district and is 59'5" from the lot line. The existing community building spans the B-A and C-3 districts and is built to the lot line. The Ordinance requires a roughly 75-foot setback from the Grand Junction Rail in the C-3 district and the Special Permit for Millers River from 1971 did not specifically reference setback relief for the original building or subsequent community building, creating an existing non-conforming 0-foot setback in the C-3 district. Ninety seven square feet of the existing community building is built in the C-3 district.

In addition, a new Community Center is proposed as an addition to the existing tower. Management offices will move into this new addition, as well as other functions currently housed in the existing community building. The new Community Center will provide amenities far closer to the core tower residences, allowing the existing community building to be re-purposed to more effectively serve the neighborhood, as well as the Millers River residents. The existing community building will be used for construction manager office space during the three-year construction period and overflow space for the CHA's Work Force program until there is a funding path for new development on Cambridge Street. Due to the lack of buildable land, as well as a desire to reserve a portion of the site for future development, the new Community Center was designed close to this side property line with a 5'6" setback from the Grand Junction Rail. The width of the railroad right-of-way along this property line is 47 feet, providing more than a 50-foot buffer to the nearest structures across the rail line.

- Minimum Setback Front Yard/Lambert Street: The original Special Permit for Millers River from 1971 did not grant setback relief for the tower, but based on current calculations the setback does not conform. The Ordinance requires a roughly 72-foot setback from Lambert Street, however, the tower was built with a 49'2" setback. In addition, the upcoming renovation calls for up to eight inches of cladding to the exterior of the building. After accounting for the four-inch exemption for insulation in Article 22.43.2, the requested setback is 48'10" at Lambert Street.
- Minimum Setback Front Yard/Gore Street: The original Special Permit for Millers River from 1971 did not grant setback relief for the tower. The Ordinance requires a roughly 61-foot setback from Gore Street, however, the tower was built with a 43'10" setback, making this an existing non-conforming dimension. In addition, the upcoming renovation calls for up eight inches of cladding to the exterior of the building. After accounting for the four-inch exemption for insulation in Article 22.43.2, the requested setback is 42'8" at Gore Street.

Vehicle and Bicycle Parking: Millers River will require relief regarding quantities of car and bicycle parking.

- <u>Vehicle Parking</u>: The original 1971 Special Permit was for 76 spaces. However, at that time, there was no requirement for accessible parking spaces or van accessible spaces. Meeting requirements for accessibility, providing a paved area for short-term bicycle parking, and re-configuring the existing parking lot to accommodate the new Community Center decreases parking in the existing lots to 70 spaces. The current lot is rarely filled; typically there are 10 to 12 spaces available at any given time in the main lot.
- Bike Parking Long Term: A survey of existing residents at Millers River was taken in the Fall of 2017. The survey indicated that approximately 10 percent of residents said that they had bikes, which translates to about 30 bikes. Some residents reported that they kept their bikes in their apartments, rather than in the bike racks. Currently, when bikes are kept on site, they are chained to the existing fence. The new short-term bike spaces in the parking lot will provide 16 spaces for bikes to be locked on a temporary basis and within visual observation from the building. A new bike structure will be provided on the corner of the existing tower at the Gore Street side of the property. This new covered structure will allow for covered, locked bike parking for 32 users.

Noise Ordinance: Millers River will require variances from the City of Cambridge Noise Control Ordinance, Chapter 8.16 of the Municipal Code.

• Measured Noise Disturbance: There is currently a generator on site that was moved many years ago from the basement to the exterior of the building. This generator sits about 10 feet from the Lambert Street property line and is exercised for approximately 15 minutes, once per week, on a week day. Similarly, the proposed generator will only run for approximately 15 minutes, once per week, on a week day and is located further away from Lambert Street residents than the existing generator. Additionally, it will have hospital grade sound attenuation. The generator is a key life safety issue for the project, as several

electrical items will be connected to it, including an elevator, emergency lighting, fire alarm systems, and other critical systems. The variance requested is for a sound level of 75 dB(A) in lieu of 60 dB(A) for the emergency generator.

Curb Cut: The Lambert Street entrance will be reconfigured with a new curb cut and pull off to create a true entrance to the building for residents and visitors while reducing illegal double parking on Lambert Street. The new curb cut will require the removal of six existing trees, three of which will be lost to create the driveway and provide paved waiting areas for residents and three of which will be replaced along the perimeter of the driveway. The curb cut has been designed to save a prominent linden shading the public right-of-way.

Land Disturbance Regulations: Millers River will require relief from the City of Cambridge Wastewater and Stormwater Drainage Systems, Chapter 13.16, Article IV, Section 14 of the Municipal Code regarding phosphorous reduction. The proposed drainage system will generally consist of drywells, area drains, manholes, porous pavement, and underground pipes. Underground detention tanks will be installed (adjacent to the proposed new Community Center) which will capture and manage runoff from the roof of the new building. The proposed stormwater management system has been sized to meet the City of Cambridge rate reduction (25-2) requirement. Water Quality (TSS and phosphorous removal) will be met to the maximum extent practicable by using drywells to replace existing catch basins in the parking lot providing treatment for the parking lot runoff, using porous pavement in the new curb cut drop off at the Lambert Street entrance, and with the construction of a new pipe infiltration system under the main parking lot off of Gore Street as shown on the attached drawings. The pipe infiltration system will provide additional phosphorous treatment from the parking lot and roof runoff from the tower building and new community building. The project will attempt to fully meet the City's 65 percent phosphorous removal however it may be difficult to fully comply and the project will provide mitigation to the maximum extent practicable as agreed to with the City of Cambridge DPW. However, a structured phosphorus mitigation system is not economically or operationally feasible at this time and therefore, the maximum amount of phosphorus mitigation will be achieved through the drywell replacement plan.

Sustainable Design and Development: Millers River will require relief from Article 22 of the Cambridge Zoning Ordinance because the CHA will use Enterprise Green Communities criteria instead of LEED criteria required in Article 22.23 of the Ordinance. The building, however, will be certified via the Enterprise Green Communities program which requires the building to achieve energy savings of at least 15 percent above code, advanced water savings, as well as measures intended to support resident health and comfort such as low VOC products, increased ventilation, air sealing, and thoughtfully designed units and community spaces.

Proposed Zoning Petition to Amend Section 20.70 Flood and Create Section 20.80 Green Factor: Millers River will require the BZA to waive the project of the proposed amendments to Section 20.70 Flood Overlay District and new Section 22.80 Green Factor of the Cambridge Zoning Ordinance. As these amendments are merely proposed and the requirements are not finalized, it is ambiguous whether the articles even apply to Millers River. The ordinance as currently drafted establishes three areas where the overlay district will apply: FEMA Flood Insurance Rate Maps (FIRMs), the City's 2015 Climate Change Vulnerability Assessment (CCVA) Part 1, and the City's 2017 CCVA Part 2. Millers River is not in a flood hazard area designated as Zones A, AE, and X on the Middlesex County FEMA FIRMs (see attached). The City's online Flood Viewer tool shows the potential for flooding at the edge of the property but not within the footprint of an existing or proposed building onsite (see attached). It is unclear whether the petition applies to any parcel or any building footprint touched by the potential for flooding apply according to the aforementioned maps. However, the requirements of both ordinances would be devastating to the renovation of

Millers River. The following outlines a selection of the proposed zoning petition's requirements that are prohibitive to the preservation and development of affordable housing at Millers River.

- Criteria Related to Raising Building Elements Above the Highest 500-Year Flood Elevation:

 The CHA believes that the entire Millers River site is two feet above the highest 500-year flood elevation, however, we cannot confirm on FIRMs or the Middlesex County Flood Insurance Study dated June 4, 2010, the two documents listed in the ordinance. If the footprint of Millers River is not above the line, however, Article 20.75.9.10 is completely infeasible as it would require lifting the entire tower and moving life safety systems off the ground level. The CHA has the policy of using diesel powered Emergency Generators so that the buildings are not reliant on grid-supplied utility gas in the event of an extended power outage event. Because the generators are fueled by diesel, the supply must come in from trucks which need to meet the generator tanks at grade. Raising the generators above the ground level would necessitate either using grid-supplied natural gas or creating an elaborate pumping system at grade which would be impractical and susceptible to the same flooding concern raising the life safety system is supposed to alleviate.
- <u>Flood Protection</u>: The Flood Protection Article (20.715) dictates that all residential units shall be located on the second floor or higher. This means losing seven residential units at Millers River, even when the first floor of the building is above FEMA's 500-year flood elevation.
- 30 Percent Tree Canopy Cover: The Tree Canopy Article (20.712) dictates that the minimum Tree Canopy Coverage shall be no less than 30 percent of the gross lot area. The existing ratio of open space at Millers River is 30 percent, significantly higher than the required ratio of 10 percent. In the proposed design we are slightly decreasing the ratio of open space to 29.5 percent. This requirement would dictate that all existing open space onsite be covered in tree canopy, and while the CHA encourages tree canopy cover and shaded open spaces, it would mean no viable plazas or courtyard where residents can host outdoor events.
- Permeable Open Space: The Green Factor Ordinance includes calculations for various levels of subsoil and planting conditions. To create the calculation, these criteria are written to accommodate new plantings or landscaping plans where a developer would be converting from existing surfaces and creating a new permeable condition. However, in the case of Millers River, the majority of green space is preserved planting and lawn areas wherein verifying subsoil conditions would necessitate the removal of existing planting areas.
 Where the CHA is modifying parking areas or creating new hard surfaces, the project is specifying permeable surfaces per the standards and goals of the proposed ordinance.
- <u>Timeline</u>: Finally, even if Millers River could reasonably meet all of the requirements of the
 ordinances, the dictated timeline for zoning approval is ruinous to the project. First, the
 CHA would have to re-do designs which were prepared before the proposed ordinances
 were scheduled for Ordinance and Planning Committee meetings and gather additional
 reports and documentation listed in Articles 20.74 and 20.75, then the CHA would have to

submit a special permit application to the Conservation Commission and City Engineer for a 45-day review period, and finally the CHA would have to apply for a special permit, which takes 155 days from submission to public hearing. As described above, Millers River is on a strict deadline to complete its financial closing before the end of the 2018 because the building runs the risk of losing Section 8 PBVs worth and over \$110 million in financing if it doesn't close before the end of the year. These ordinances, if applicable, would force the project to miss this critical deadline.

All of the zoning relief required for the project is reasonable. The requested relief is modest, and either captures an existing non-conforming dimension or is rooted in the goal of building and improving affordable housing in the City. Though we are requesting relief from the proposed amendments to Section 22.70 and the new Section 22.80, the Millers River project is being designed and built in compliance with city-wide environmental objectives and draft goals of the Envision Cambridge master planning process referenced in the zoning petition. The CHA prides itself on building for the long term, incorporating as much redundancy and safeties into our building systems as practicable to maintain a comfortable living environment 24/7/365 for the residents of Cambridge which we house. For example, as with all of CHA's elderly properties, Millers River is being designed as a place of critical refuge for its residents during an extended power outage with tempered common areas with power and services for the residents in the event of an emergency. The project is also relocating most mechanical equipment from the basement to a new rooftop penthouse and will be certified via the Enterprise Green Communities program, which requires the building to achieve energy savings of at least 15 percent above code.

Approval of this comprehensive permit application by the Board is critical to the project as the \$110 million in financing commitments for Millers River are contingent on zoning approval. The CHA sincerely hopes that the Board looks favorably upon this request, which will allow us to renovate affordable housing in vital need of improvements and clear space onsite for much needed affordable housing in Cambridge.

Sincerely,

Michael J. Johnston

Executive Director, Cambridge Housing Authority

Commissioner, Cambridge Affordable Housing Corporation

National Flood Hazard Layer FIRMette

250

500

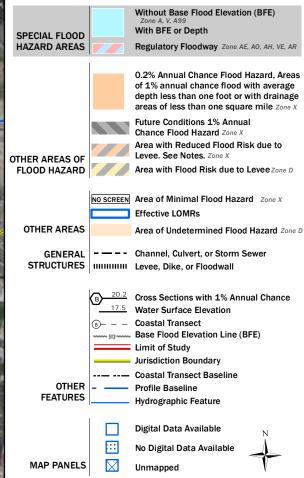
1,000

1,500



Legend

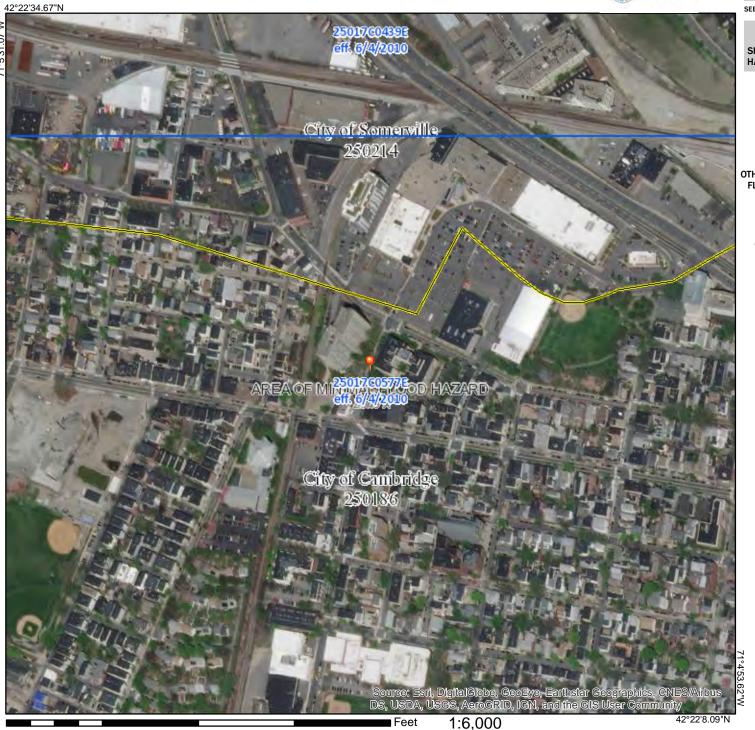
SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT



This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The base map shown complies with FEMA's base map accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/11/2018 at 1:24:38 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: base map imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



2,000

Cambridge FloodMiever Pilot



Cambridge Buildings 0 001 001 001 001 001 001

Kleinfelder; Esri, HERE, Garmin, @ OpenStreetMap contributors, and the GIS user community



Section 2 Comprehensive Permit Application

Comprehensive Permit Application

Dimensional Form – 2 copies

Existing Special Permit (1971)

Building Tabulations – 2 copies

Deed

Ownership Certificate – 2 copies

Project Eligibility Letter (June 18, 2018)

Millers River Use Agreement: Eligibility Standards, Long-Term

Affordability, and Funding

Evidence of Need of Affordable Housing

Filing Fee



1

15

City of Cambridge

MASSACHUSETTS

BOARD OF ZONING APPEAL

831 Mass Avenue, Cambridge, MA. (617) 349-6100

TO: Board of Zoning Appeal
(Specify Local Board or Agency)

NOTICE OF FILING OF A COMPREHENSIVE PERMIT APPLICATION

REGARDING: 15 Lambert Street, Cambridge, MA, 02141 (Address of Property)

Please be informed that an application for a Comprehensive Pe development of low or moderate income housing at the above reference been filed with the Cambridge Board of Zoning Appeals, and is schedu p.m., on Thursday, , at the Ackerman	ed property has aled for a hearing at
(Rm. 200) in City Hall.	realing Room
A copy of the Comprehensive Permit application is attached. In the application includes:	The relief requested
Article 5.31, Table 5-1 (5), dimensional relief for front setback on Later for side setback at the RR. ROW (C-3), and dimensional relief for front Article 6.36.1.g, parking reduction relief; Article 6.107.2, bicycle park the Municipal Code, Article 8.16.060, measured noise disturbance related the Experiment Street; Chapter 13.16 of the Municipal Code, Article 13.16. Article 22 Sustainable Design and Development; Zoning petition recommend the zoning in Section 20.70 Flood Overlay District and created	ont setback on Gore Street (C-3); king reduction relief; Chapter 8.16 of elief, generator; New curb cut on 4.14, measured phosphorus removal; eived from Douglas Brown et al to
In acting on Comprehensive Permit applications, the Board of 2 has the power to grant any permits or approvals, which would otherwis other local agencies. The Board requests that other applicable agencies and boards appear at this hearing to make recrelative to this application, and/or that written recommendations be sufficient prior to that hearing date.	se be required from and commendations

Please contact the Zoning Specialist at (617) 349-6100, to receive further information on this Comprehensive Permit proceeding.

COMPREHENSIVE PERMIT APPLICATION

	PETITIONER: Cambridg	e Affordable Housing Corporation
	PETITIONER'S ADDRESS:	362 Green Street, Cambridge, MA, 02139
	PETITIONER'S TELEPHONE:	617-520-6251
	NAME, ADDRESS, AND PHONE (If different from Petitioner):	NUMBER OF CONTACT PERSON
	LOCATION OF SITE:	15 Lambert Street, Cambridge, MA, 02139
		pre-cast building and an attached one-story community building that
unit) serving ar unit, totaling 30	n elderly/disabled population. After co 00 units (297 one-bedroom units and	hits (219 studio units, 78 one-bedroom units, and one two-bedroom onstruction, there will be a net of three new units, and the loss of one three two-bedroom units). The project also includes the construction nunity Center on the western edge of the site.
		OR REQUIRMENTS FROM WHICH RELIEF IS
	Relief Requested: Applic	able Local Board or Authority:
2. 3. 4. 5. 6. 7. 8. 9.	Setbacks: 5.31 (Lambert Street Fron Setbacks: 5.31 (RR ROW Side) Setbacks: 5.31 (Gore Street Front) Vehicle parking: 6.36.1.g Bicycle parking: 6.107.2 Noise Ordinance: 8.16.060 Curb cut at Lambert Street Land Disturbance Regulations: 13.16 Article 22 Sustainable Design and Design petition received from Doug	Board of Zoning Appeal
	 Please specify whether Petition () A public agency (x) A non-profit organization () A limited divided organization 	
	The proposed project is an occupied	If not, please explain. I rehabilitation of the existing Millers River Apartments. Instruction of a new community center for the apartment building.

3. Does the Petitioner own and control the site? _____ If not, please describe the anticipated circumstances and time frames under which the Petitioner will acquire ownership and control of the site. If there are additional owners, please identify each owner, including name, address and the ownership interest for each owner identified. Please ATTACH a copy of the deed, purchase and sale agreement or option agreement.

Please see the attached deed and ownership certificate. Cambridge Affordable Housing Corporation is the 100% owner of Millers River Holding LLC, which currently owns Millers River Apartments. At the financial closing later this year, Millers River Apartments will be transferred by Millers River Holding LLC to Millers River LLC, which will be 99.9% owned by the Cambridge Housing Authority's LIHTC investor and 0.01% owned by Millers River Manager LLC which will be owned by the Cambridge Affordable Housing Corporation. At that time, the Comprehensive Permit will be transferred to Millers River LLC (which shall be a limited dividend entity) and the Applicant requests the Zoning Board of Appeal's approval, as part of the issuance of this Comprehensive Permit, of such transfer.

4. What are the sources of the public subsidy for the proposed project? Please ATTACH project eligibility letter, site approval letter, or other evidence of subsidy for this project.

The project is being funded via a mix of sources, but not limited to: private equity via LIHTCs (4%), tax exempt bonds, escrow funds resulting from the conversion of Millers River to the Section 8 program, and short-term and long-term private debt. The CHA has also been working with MassHousing on Project Eligibility under Chapter 40B. While MassHousing finds CHA's application materials satisfactory per 760 CMR 56.04(03) they are awaiting public comment from the city of Somerville (500 sf of the site is located in Somerville) under the required 30-day review period. The 30-day comment period for the city of Cambridge closed on June 7. See the attached letter from MassHousing.

- 5. Total number of dwelling units proposed: 300 (298 Existing, 1 Re-purposed, 3 New)

 Total number of affordable rental units: 300 (298 Existing, 1 Re-purposed, 3 New)

 Total number of affordable home ownership units:
- 6. Please describe the eligibility standards for low and moderate income occupants and the duration of the affordability restrictions for the project. If you refer to program regulations or guidelines, please attach copies.

Of the 298 existing units, 297 are restricted to the Section 8 Project Based Voucher program for households at or below 80% AMI. These affordability restrictions are secured by the Millers River Use Agreement by the US Department of Housing and Urban Development attached. In addition, 281 of the proposed 300 units will be LIHTC eligible units and restricted to households at or below 60% AMI. The average income at Millers River, however, is below 40% AMI, much lower than the affordability restrictions by the Section 8 and LIHTC programs. All residents at Millers River pay only 30% of their income toward rent.

7. How will this project meet local needs for low income and moderate income housing?

The renovation of 297 existing apartments and new construction of 3 apartments will add much-needed affordable housing for elderly and disabled residents in Cambridge. There are currently 5,356 distinct households on CHA's waitlist seeking elderly/disabled housing.

- 8. Please provide a complete description of the proposed project, and include with this Comprehensive Permit Application, each of the following items:
 - a. <u>Site Development Plans</u> site development plans showing locations and outlines of proposed buildings; the proposed locations, general dimensions for streets, drives, parking areas, walks and paved areas; and proposed landscaping improvements and open areas within the site; (2 copies)
 - b. Report on Existing Site Conditions a summary of conditions in the surrounding areas, showing the location and nature of existing buildings, existing street elevations, traffic patterns and character of open areas, if any, in the neighborhood;
 - <u>Drawings</u> scaled, architectural drawings, including typical floor plans, typical elevations and sections, and identifying construction type and exterior finish. All projects of five or more units must have site development plans signed by a registered architect;
 - d. <u>Building Tabulations</u> a tabulation of proposed buildings by type, size (number of bedrooms, floor area) and ground coverage, and a summary showing the percentage of the tract to be occupied by buildings, by parking and other paved vehicular areas, and by open areas; (2 copies)
 - e. <u>Subdivision Plan</u> where a subdivision of land is involved, a preliminary subdivision plan; (2 copies)
 - f. <u>Utilities Plan</u> a preliminary utilities plan showing the proposed location and types of sewage, drainage, and water facilities, including hydrants;
 - g. Dimensional Form provided with application; (2 copies)
 - h. Photographs photographs of site and existing buildings;
 - i. <u>Assessor's Plat</u> available at City of Cambridge, Engineering Department, 147 Hampshire Street, Cambridge, MA.;
 - j. Ownership Certificate 2 Notarized copies, provided with application.



City of Cambridge

MASSACHUSETTS

BOARD OF ZONING APPEAL

831 Mass Avenue, Cambridge, MA. (617) 349-6100

TO:

Board of Zoning Appeal

FROM:

Cambridge Housing Authority

RE:

Millers River Apartments (15 Lambert Street)

PETITIONER: Cambridge Affordable Housing Corporation

The Petitioner has applied to the Cambridge Zoning Board of Appeals for a comprehensive Permit to create affordable/low income housing at the above referenced property.

Pursuant to Chapter 774 of the Massachusetts General Laws, the Zoning Board of Appeals by the Comprehensive permit process is empowered to grant all necessary permits and licenses that are normally granted by other City agencies or Boards.

If any city agency or board is interested in this case or normally they would grant relief for this development, they should forward all correspondence to the Board of Zoning Appeal before the scheduled hearing dated, as there will be no other hearings will be scheduled for this case.

If you have any questions, please call Ranjit, or Maria at (617) 349-6100.

I certify that the information contained herein is true and accurate to the best of my knowledge and belief.

Petitioner's Signature

C/27/2018 Date

BZA APPLICATION FORM

DIMENSIONAL INFORMATION

APPLICANT:		idge Afforda ration	ble Housing	PRESENT USE/OCCUPANCY:	Residential				
LOCATION:	15 La	mbert Street		ZONE:	Business A, Residence C-3				
PHONE:	PHONE: (617) 520-6251			REQUESTED USE/OCCUPANCY:	Residential				
			EXISTING CONDITIONS	REQUESTED CONDITIONS	ORDINANCE REQUIREMENTS (1)	1971 SPECIAL PERMIT CONDITIONS			
TOTAL GROSS FLOOR AREA:			205,251	220,736 (a)	192,881	220,736 (a) max.)			
LOT AREA: (b)		Business A Residence C-3	10,643	10,643	None 5,000	16,549 (min.) 54,837 (min.)			
		Combined	71,389	71,389	5,000	71,386			
RATIO OF GROSS FLOOR AREA TO LOT AREA: (2)		Business A Residence C-3	0.79	1.22	1.00	1.22 (max.)			
LOT AREA FOR EACH DWELLING UNIT:	-		239.6	234.8	B-A = 600, C-3 = 300	234.8 (min.)			
SIZE OF LOT:		WIDTH DEPTH	175' 0" ± 400' 0" ±	175' 0" ± 400' 0" ±	50' 0" None	175' 0" ± (min.) 400' 0" ± (min.)			
<u>Setbacks in Feet:</u> (c)	: C-3	FRONT	49' 2" ±	48' 10" ± (d)	72' 5" ±	N.A. (min.)			
R.R. R.O.W.		SIDE	0' 0" ±	0' 0" ±	80' " ±	N.A. (min.)			
Cambridge	C-3	FRONT	134' 3" ±	59' 10" ± (d)	59' 10" ±	N.A. (min.)			
Gore	C-3	FRONT	43' 10" ±	42' 8" ± (d)	60' I I " ±	N.A. (min.)			
SIZE OF BLDG.: (e)		HEIGHT	161' 0"	161'0"	120' 0"	161'0" (max.)			
		LENGTH WIDTH	394' 6" 127' 3"	394' 10" (d)		88' 6"			
RATIO OF USABLE OPEN SPACE TO LOT AREA: (3)	-		30% ±	10.0% ±	10.0% ±	30% ± (min.)			
NO. OF DWELLING UNITS:			298	304	221	304 (max.)			
NO. OF PARKING SPACES:			73	70	300	76 (min./m	max.)		
NO. OF LOADING AREAS:			0	0	Not Required	Not Required (min.)			
DISTANCE TO NEAREST BLDG. ON SAME LOT:			N.A.	N.A.	10' 0"	10'0" (min.)			

Describe where applicable, other occupancies on same lot, the size of adjacent buildings on same lot, and type of construction proposed, e.g.; wood frame, concrete, brick, steel, etc.

The existing lot contains two buildings; the existing high-rise residential building and an existing community building which is connected to the high-rise via an existing enclosed connector structure. The existing high-rise, the existing community building and the existing connector will remain. A new steel framed community center building addition will be attached to the existing high-rise at the first floor and at the third floor.

^(1.) SEE CAMBRIDGE ZONING ORDINANCE ARTICLE 5.000, SECTION 5.30 (DISTRICT OF DIMENSIONAL REGULATIONS).

^(2.) TOTAL GROSS FLOOR AREA (INCLUDING BASEMENT 7'-0" IN HEIGHT AND ATTIC AREAS GREATER THAN 5') DIVIDED BY LOT AREA.

^(3.) OPEN SPACE SHALL NOT INCLUDE PARKING AREAS, WALKWAYS OR DRIVEWAYS AND SHALL HAVE A MINIMUM DIMENSION OF 15'.

FOOTNOTES

- (a) The total floor area calculated in the 1971 Special Permit was 207,539 square feet. This was calculated as the gross floor area of the tower in the C-3 district and the gross floor area of the connector and the existing 2 story building on Cambridge Street, which was all in the Business A district at that time. For the tower, the basement and maintenance areas on the first floor were not included. addition, in the tower, areas that were used for chases or for the grounds equipment room were also deducted. existing building on Cambridge Street was a 2 story structure, which was demolished circa 1975 and replaced with the existing 1 story community building. The allowable floor area as per the 1971 Special Permit was a FAR of 1.22 in Business A and a FAR of 3.42 in Residence C-So the total allowable floor area as per the 1971 Special Permit was 1.22 * 16,549 ft 2 + 3.42 * 54,837 ft 2 = 207,732 ft². Note that the current 2018 survey indicates the lot has 10,643 ft² in Business A, and 60,746 ft² in Residence C-3. Applying the 1971 FAR ratios to the actual lot areas results in 1.22 * 10,643 ft² + 3.42 * 60,746 ft² = 220,736 ft².
- (b) The lot contains 510 square feet of land, which is in Somerville. This parcel is at the Northwest corner of the lot and is not being used for any buildings. This 510 square feet is not included in any of the calculations. There is a discrepancy between the areas in Business A and Residence C-3. The correct areas are from a survey done in 2018.
- (c) The 1971 Special Permit included an existing 2 story building on Cambridge Street, which was entirely in the Business A district. However, it did not include the existing building in its Setbacks and Size of Building Calculations. After the high-rise apartment building was completed, the existing 2 story building on Cambridge Street was demolished circa 1975. A new 1 story community building was constructed on Cambridge Street with setbacks of 0'0" +/- from the property lines on Cambridge, Lambert, and at the RR ROW. The side setback to the C-3 district line was also 0'0" +/-. This new building was connected to

the existing high-rise connector corridor. This Comprehensive Permit application corrects that error.

(d) The existing dimensions to the centerline of Lambert Street and Gore Street are given under the Existing Conditions column. The building is being clad with an insulated panel system, which will add 8"± to each face of the building. A maximum exemption of 4 inches is allowed for re-insulating a building; therefore the Requested Conditions reflect a reduction of 4 inches (8 inches added - 4 inches allowed) in the distance from the face of the newly clad building to the centerline of the street. The length of the building increases by 4 inches due to this added cladding on the Gore Street side. The width of the building increases by 4 inches on each side (Lambert and RR ROW) for a total of 8 inches.

BZA APPLICATION FORM

DIMENSIONAL INFORMATION

APPLICANT:		idge Afforda ration	ble Housing	PRESENT USE/OCCUPANCY:	Residential				
LOCATION:	15 La	mbert Street		ZONE:	Business A, Residence C-3				
PHONE:	PHONE: (617) 520-6251			REQUESTED USE/OCCUPANCY:	Residential				
			EXISTING CONDITIONS	REQUESTED CONDITIONS	ORDINANCE REQUIREMENTS (1)	1971 SPECIAL PERMIT CONDITIONS			
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LOT AREA: (b)		Business A Residence C-3	10,643	10,643	None 5,000	16,549 (min.) 54,837 (min.)			
		Combined	71,389	71,389	5,000	71,386			
RATIO OF GROSS FLOOR AREA TO LOT AREA: (2)		Business A Residence C-3	0.79	1.22	1.00	1.22 (max.)			
LOT AREA FOR EACH DWELLING UNIT:	-		239.6	234.8	B-A = 600, C-3 = 300	234.8 (min.)			
SIZE OF LOT:		WIDTH DEPTH	175' 0" ± 400' 0" ±	175' 0" ± 400' 0" ±	50' 0" None	175' 0" ± (min.) 400' 0" ± (min.)			
<u>Setbacks in Feet:</u> (c)	: C-3	FRONT	49' 2" ±	48' 10" ± (d)	72' 5" ±	N.A. (min.)			
R.R. R.O.W.		SIDE	0' 0" ±	0' 0" ±	80' " ±	N.A. (min.)			
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SIZE OF BLDG.: (e)		HEIGHT	161' 0"	161'0"	120' 0"	161'0" (max.)			
		LENGTH WIDTH	394' 6" 127' 3"	394' 10" (d)		88' 6"			
RATIO OF USABLE OPEN SPACE TO LOT AREA: (3)	-		30% ±	10.0% ±	10.0% ±	30% ± (min.)			
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NO. OF PARKING SPACES:			73	70	300	76 (min./m	max.)		
NO. OF LOADING AREAS:			0	0	Not Required	Not Required (min.)			
DISTANCE TO NEAREST BLDG. ON SAME LOT:			N.A.	N.A.	10' 0"	10'0" (min.)			

Describe where applicable, other occupancies on same lot, the size of adjacent buildings on same lot, and type of construction proposed, e.g.; wood frame, concrete, brick, steel, etc.

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CITY OF CAMBRIDGE BOARD OF ZONING APPEAL

October /5, 1971

In reference to the petition of MASSACHUSETTS INSTITUTE OF TECHNOLOGY, by
ANTONY HERREY, requesting Special Permit under provisions of Article VI, Sec. 9,
(lot area/DU for elderly); Article VII, Sec. 2, Par. e (parking 25%); Article VII,
Sec. 3 (pkg. within 5 ft. of bldg. & lot lines, and parking spaces less than req.);
and variance of Article V, Sec. 2 (Table of Dimens. Require. and FA/LA) of the
Zoning Ordinance, as it pertains to premises known as:
663-669 CAMBRIDGE STREET, 1-19 LAMBERT STREET, & 168-186 GORE STREET, Cambridge,
Massachusetts, to permit construction of (304) apartments for housing for the elderly,
and remodeling of existing commercial building to provide common areas and retail space,
please be advised that the petition has been GRANTED, and a copy of the decision has
been filed this date with the office of the City Clerk.

illian Novak,

Case No. 4192-Z.

DIMENSIONAL FORM - APPLICATION TO BOARD OF ZONING APPEAL:

LOCATION: 663-669 Cambridge St., 1-19 Lambert St	t 168-186 Gore St	ZONE: Bus. A & C-3
OWNER: Massachusetts Institute of Technology	(11)	ISI. REGI ESI. UITILE. WEST
REQUESTED USE/OCCUPANCY: Residential, Retail Bu		
PRESENT USE/OCCUPANCY: Retail Business and Co		REQUIRED CONDITIONS:
EATS CITIE COURT CLOSES	Requested Conditions	(to be filled in by the Supt. of Buildings)
AREA OF LOT: excluding 510 sq.ft, in Somerville	Bus. A - 1.22	Bus. A - 1.0 or 1.75
RATIO OF TOTAL FLOOR AREA TO LOT AREA:	2.91 C-3 - 3.42\21	C-3 - 3.0 Bus. A - 600 sq.ft.
MINIMUM LOT AREA FOR EACH DWELLING UNIT:	234.8 sq. ft.	C-3 - 300 sq.ft.
SIZE OF LOT: Width:	175' +	50'
Length:	400 ' +	none
Front: Lambert Street	72'1"	72'1" (3)
YARDS: (set-back): Recoxx Front: Gore Street	80 ' +	43! +
Pro- posed XxXxxXxxx Front: Cambridge St.	225' <u>+</u>	45 ' ±
Bldg. Rixdxtx Side: West: R.R. R.O.W.	95 1 ±	60' +
Proposed SIZE OF BLDG: Height:	136' and 161'	none
Length:	210'7"	none
Width:	88'6"	none
NUMBER OF DWELLING UNITS:	304	210
NUMBER OF PARKING SPACES:	76	304 (4)
NUMBER OF LOADING AREAS:	0	0 (4)
SIZE OF BLDGS. ADJACENT ON SAME LOT:	100' x 107' x 30'	N/A
DISTANCE TO NEAREST BLDG:	26'6"	10'
OTHER OCCUPANCIES ON SAME LOT:	Retail Business and Consumer Service	Permitted
RATIO OF USABLE OPEN SPACE TO LOT AREA;	30% <u>+ (C-3 district</u>)	10%
TYPE OF CONSTRUCTION:		
NUMBER OF STORIES: (proposed building)	16 and 19	none
	SUBMIT: Plot	Plan July 30, 1971
See attached Notes (1) - (4)	Parking 1	Plan <u>July 30, 1971</u>
(over)	Building P	lans June 24agel2671

Notes for Dimensional Form 663-669 Cambridge St., 1-19 Lambert St., 168-186 Gore St.

(1) 54,837 sq. ft. in C-3 district 16,549 sq. ft. in Bus. A district

(2)	Floor A	reas		
	Tower:		9,386	
		2-8 (7 x 10,712)	74,984	
		9-11 (3 x 10,858)	32,575	
		12-13 (2 x 11,296)	22,592	
		14-16 (3 x 11,880)	35,640	
		17-19 (3 x 6,193)	18,579	
		Stair at roof	706	
				194,462 sq. ft.
		Chases: 15 sq. ft. x 325	4,875	
		98 sq. ft. x 19	1,862	
		Grounds egpt room	340	
				(7,077) sq. ft.
	Area in	C-3 district		(7,077) sq. ft. 187,385 sq. ft.
	Corrido	r	1,154	
		g Bldg.: First	8,700	
	- Antonio	Second	10,300	
	Area in	Bus. A district		20,154 sq. ft.
		loor Area		207,539 sq. ft.
	0.242.00	40 page 20 TOT		

- (3) See Setback calculations
- (4) Parking and loading facilities not required for building in existence on effective date of ordinance.

B) SK-6 SETBACK CALCULATIONS & JULY 1971

PLANE	AREP		DISTANCE !	Spinone -	70771
A	914	×	75.33	Ø	68852
8	631	X	55.75	8	35,178
Br	853	X	52.17	ย	99501
\$3	611	X	48.92	83	29890
Ba	873	X	45.33	8	39573
C'	3727	X	45.75	3	170510
Ce	5181	X	42.17	36	218483
<i>D'</i>	3269	N	13.92	8	45504
Dr	4960	×	10.33		46072
D3	1196	X	7.25	83	8309
\mathcal{D}^{g}	1671	2	367	2	6133
E	1972	2	3 75	:	5520
EB	2198	25	.17	2	365
F	4589	23	2.0	S	9178
			*		Commence of the second
	31,545				728,068
Fram Ba	ge und pai	30 U L	el no le	OF	STREET
			1. 1. 1. 9		

G SK-6 SETERCE CALCULATIONS

22 JULY 1971

Average Height 31,595 = 149.8

H+L = 149.8 + 210.58 = 2255 360.38 = 72.07

31,595 x 72.076 = 2,273,637

X = DISTANCE FROM BASE LINE TO & OF STREET

31,545 x + 728,068 = 2,273,637

X = 2,273,637-728,008 = 1,545,569 31,595 31,575

* STATE 49.0

BUILDING TABULATIONS

PROPOSED UNIT COUNT MILLERS RIVER APARTMENTS

300 Elderly and Disabled Residential Units

Prepared by

Dietz & Company Architects, Inc.

6/11/2018

Existing	
Studio	219
One Bedroom	76
Two Bedroom	I
Studio - Barrier Free	0
One Bedroom - Barrier Free	2
Two Bedroom - Barrier Free	0
Total Units	298

Proposed	
Studio	0
One Bedroom	283
Two Bedroom	2
One Bedroom - Barrier Free	14
Two Bedroom - Barrier Free	I
Total Units	300

PROPOSED CAR AND BICYCLE PARKING COUNTS MILLERS RIVER APARTMENTS

300 Elderly and Disabled Residential Units

Prepared by

Dietz & Company Architects, Inc.

6/11/2018

Evistina Con Boulina Summonn	
Existing Car Parking Summary Handicap Parking Spaces	7
Parking Spaces (Including Visitor)	66
Total Parking	73
Total Lai King	/3
Current Unit Space Ratio (Motor Vehicle)	0.24
Proposed Car Parking Summary	
Handicap Parking Spaces	4
Van Accessible Handicap Parking Spaces	
Handicap Visitor Parking Spaces	!
Resident Parking (8.5 feet x 18 feet)	29
Resident Parking (6.5 feet x 16 feet) Resident Parking (7.5 feet x 16 feet)	28
Visitor Parking (7.5 feet x 16 feet)	7
Total Parking	70
Total Farking	70
Proposed Unit Space Ratio (Motor Vehicle)	0.23
Existing Bicycle Parking Summary	
Total Bicycle Parking Unsheltered	12
Current Unit Space Ratio (Bicycle)	0.04
Current one space ratio (bicycle)	0.01
Proposed Bicycle Parking Summary	
Short Term (Unsheltered) Bicycle Parking	16
Long Term (Sheltered) Bicycle Parking	32
Total Bicycle Parking	48
Proposed Unit Space Ratio (Bicycle - Total)	0.16
Proposed Unit Space Ratio (Bicycle - 10tal) Proposed Unit Space Ratio (Bicycle - Short Term/Unsheltered)	0.16
Proposed Unit Space Ratio (Bicycle - Snort Term/Onsheltered)	0.03
Proposed Onic space Natio (bicycle - Long Termionettered)	0.11

SITE AND LANDSCAPE TABULATIONS MILLERS RIVER APARTMENTS

Prepared by **Dietz & Company Architects, Inc.**6/11/2018

MILLERS RIVER SITE AREA SQUARE FOOTAGES					
Total Lot Area (Cambridge Only)			71,899	sf	
Building Footprint (high-rise + comm.)			28,578	sf	40%
Existing High-Rise	10,739	sf			
Existing Connector	955	sf			
Existing Community Building	8,362	sf			
New Community Center	7,770	sf			
New Connector	232	sf			
Bicycle Storage	520	sf			
Lawns			8,280	sf	12%
Plantings			4,199	sf	6%
Paving Impervious			27,552	sf	38%
Paving Pervious			3,290	sf	5%
Roof Terrace on New Community Center:					
Roof Paving (Pavers and some mulch/Pervious)			5,512	sf	
Roof Plantings			1,139	sf	
Total Resident Accessible Area on roof			6,651	sf	
Inaccessible area of New Comm. Ctr. Roof			1,119	sf	
Open Space:					
Open space shall not include parking areas, walkways or driveways					
and shall have a minimum dimension of 15'.					
Lawns			8,280		
Planting Areas			4,199		
Roof Terrace			6,651		
					·
Total Open Space			19,130		27%
Total Open Space (not including roof terrace)			12,479		17%
					100%

BUILDING TABULATIONS

PROPOSED UNIT COUNT MILLERS RIVER APARTMENTS 300 Elderly and Disabled Residential Units

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6/11/2018

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Studio - Barrier Free	0
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Planting Areas			4,199		
Roof Terrace			6,651		
Total Open Space			19,130		27%
Total Open Space (not including roof terrace)			12,479		17%
					100%

fat



Bk: 67344 Pg: 174 Doc: DEED Page: 1 of 4 05/31/2016 02:21 PM

QUITCLAIM DEED

CAMBRIDGE HOUSING AUTHORITY, a Massachusetts local housing authority established pursuant to Chapter 121B of the Massachusetts General Laws ("Grantor"), for consideration paid of THARTY-SEVEN MILLION, FOUR HUNDRED THIRTY THOUSAND DOLLARS (\$37,430,000),

grants to **MILLERS RIVER HOLDING LLC**, a Massachusetts limited liability company ("Grantee"), having an address of 362 Green Street, Cambridge, Massachusetts 02139,

with quitclaim covenants,

all of the buildings and improvement (the "Premises") located on a parcel of land located in Cambridge, Middlesex County, Massachusetts which is more particularly described in Exhibit A attached hereto (the "Property"). This conveyance is of buildings and improvements only. Fee interest in the land is specifically excluded from this conveyance. Fee interest will be leased to this grantee by separate instrument.

The Premises are conveyed to Grantee subject to the condition that, at the option of Grantor and upon notice thereof to Grantee, if, and only if, Grantee fails to convey the building and improvements to Millers River LLC, a Massachusetts limited liability company, by December 31, 2018, then the Grantor may elect, by the recording of a notice of reversion in the Middlesex South Registry of Deeds, to terminate the estate hereby conveyed and for title to the Premises to revert to and revert in the Grantor free of any rights of the Grantee. If a notice of reversion is not recorded prior to the conveyance of the building and improvements to Millers River LLC, such right of reversion shall terminate.

By the recording of this deed, Grantee accepts the conveyance of the Premises subject to Grantor's right of reverter and shall execute any and all documents necessary to effectuate Grantor's reversionary interest, if applicable.

Please Return To:

First American Title Insurance Company
Vational Commercial Services

OD Boylston Street, Suite 2820
Diston, MA 02199

791751

Page 36

Bk: 67344 Pg: 175

For Grantor's title see deed from Massachusetts Institute of Technology dated December 21, 1973 and recorded with the Middlesex Registry of Deeds in Book 12585, Page 142 and filed with the Middlesex Registry District of the Land Court as Document No. 51956.

This conveyance does not represent the sale of all or substantially all of the Massachusetts assets of the Grantor.

This instrument is exempt from State Excise Stamp Tax pursuant to M.G.L. 64D, §1.

[signature page follows]

Bk: 67344 Pg: 176

Witness my hand and seal this $\frac{15+}{1}$ day of June, 2016.

CAMBRIDGE HOUSING AUTHORITY

Gregory P. Russ, Executive Director

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

On this day of how, 2016, before me, the undersigned notary public, personally appeared Gregory P. Russ, as Executive Director of Cambridge Housing Authority, proved to me through satisfactory evidence of identification, which was a [current driver's license] [a current U.S. passport] [my personal knowledge], to be the person whose name is signed on the preceding instrument and acknowledged the foregoing instrument to be his free act and deed.

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Bk: 67344 Pg: 177

EXHIBIT A

Legal Description

A certain parcel of land with the buildings and improvements thereon situated on Lambert Street, Cambridge Street, Gore Street and Medford Street in the City of Cambridge and the City of Somerville, Middlesex County, Commonwealth of Massachusetts, and shown on a plan entitled "Plan of Land in Cambridge & Somerville, Mass." dated July 6, 1971, by Boston Survey Consultants (the "Plan") which Plan is recorded with the Middlesex South Registry of Deeds as Plan No. 411 of 1972 at Book 12192, Plan 541 bounded and described as follows:

Southerly: by Cambridge Street, ninety-nine and 15/100 feet;

Westerly: by the right of way now or formerly of Penn Central

Transportation Company, one hundred eighty-six and 86/100

feet;

Northeasterly: by Medford and Gore Streets. one hundred forty-two and

15/100 feet, and by Gore Street, one hundred sixteen and

97/100 feet;

Southeasterly: by Lambert Street, two hundred twenty-four feet;

Southwesterly: by land now or formerly of Simeone, sixty-five and 5/10 feet;

and

Southeasterly: by land now or formerly of Simeone, Nocella, Delaney and

Sherkanowski, one hundred sixty-three and 87/100

BZA APPLICATION FORM - OWNERSHIP INFORMATION

To be completed by OWNER, signed before a notary and returned to The Secretary of the Board of Zoning Appeals.

Millers River Holding LLC
(OWNER) 362 Green Street, Cambridge, MA, 02139
State that I/We own the property located at 15 Lambert Street , which is the subject of this zoning application.
The record title of this property is in the name of Millers River Holding, LLC
*Pursuant to a deed of duly recorded in the date 5/31/2016 , Middlesex South County Registry of Deeds at Book 67344 , Page 174 ; or Middlesex Registry District of Land Court, Certificate No.
BookPage
SIGNATURE BY LAND OWNER OR AUTHORIZED TRUSTEE, OFFICER OR AGENT* *Written evidence of Agent's standing to represent petitioner may be requested.
Commonwealth of Massachusetts, County of
The above-name personally appeared before me,
this 25 of Jul, 20 18, and made oath that the above statement is true. Mayla Jenin Ginner & Notary
My commission expires formery 10, 2025 (Notary Seal).

• If ownership is not shown in recorded deed, e.g. if by court order, recenturing deed, or inheritance, please include documentation.

| Page 40

BZA APPLICATION FORM - OWNERSHIP INFORMATION

To be completed by OWNER, signed before a notary and returned to The Secretary of the Board of Zoning Appeals.

Millers River I	Holding LLC	
Address: 362 Gree	n Street, Cambridge, MA,	02139
	the property located at	
	et of this zoning applicat	name of Millers River Holding, LLC
	of duly recorded in the Deeds at Book 67344	date <u>5/31/2016</u> , Middlesex South , Page <u>174</u> ; or
Middlesex Registry		Certificate No
Written evidence o		TRE BY LAND OWNER OR TEED TRUSTEE, OFFICER OR AGENT present petitioner may be requested
Commonwealth of Mas	ssachusetts, County of	Middlesex
The above-name		personally appeared before me,
this 25 of Ju		th that the above statement is true
My commission expi	res <u>Junuary</u> 10, 2025	(Notary Seal).

• If ownership is not shown in recorded deed, e.g. if by court order, recent deed, or inheritance, please include documentation.

**Common State of the County of the Coun



Massachusetts Housing Finance Agency One Beacon Street, Boston, MA 02108

Tel: 617.854.1000

Fax: 617.854.1091 www.masshousing.com

Videophone: 857.366.4157 or Relay: 711

June 11, 2018

Clara Fraden
Project Manager
Cambridge Housing Authority
362 Green Street
Cambridge, MA 02139

Re: Millers River Apartments

Project Eligibility/Site Approval - Status Update

Dear Ms. Fraden:

I am writing to confirm MassHousing's intention to issue a Project Eligibility Letter to the Applicant, Cambridge Affordable Housing Corporation, for the proposed 40B at Millers River Apartments in Cambridge, MA. We are well into our review of your Site Approval package, which was submitted to MassHousing on May 11, 2018. We find the submitted materials to be satisfactory. Per 760 CMR 56.04(03) we are awaiting public comment from the cities of Cambridge and Somerville under the required 30-day review period. Once the public comment period closes on June 18, 2018 we will proceed in obtaining final signatures and issuing the Project Eligibility Letter.

Sincerely,

Gregory P. Watson

Manager, Planning and Programs

P. Water



RECORDING REQUESTED BY:

Cambridge Housing Authority Attn: Gregory P. Russ 362 Green Street Cambridge, MA 02139 2016 00085789

Bk: 67344 Pg: 134 Doc: AGR Page: 1 of 34 05/31/2016 02:21 PM

WHEN RECORDED MAIL TO:

Cambridge Housing Authority Attn: Gregory P. Russ 362 Green Street Cambridge, MA 021399

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

USE AGREEMENT (MILLERS RIVER)

This Use Agreement (this "Agreement") dated as of June 1, 2016, is by and between the U.S. Department of Housing and Urban Development ("HUD"), with an address of 10 Causeway Street, Room 301, Boston, Massachusetts, 02222-1092, Cambridge Housing Authority, a public body corporate and politic organized under the laws of the Commonwealth of Massachusetts ("PHA"), with an address of 362 Green Street, Cambridge, MA 02139, and Miller's River Holding LLC ("Owner"), with an address of c/o Cambridge Affordable Housing Corporation, 362 Green Street, Cambridge, MA 02139

RECITALS

WHEREAS, PHA owns and operates one (1) dwelling building containing a total of three hundred and two (302) units, two hundred and ninety seven (297) of which are dwelling units, and one and 65/100ths (1.65) acres of underlying land at Miller's River, MA003000301, more particularly described in that certain Declaration of Trust recorded in the official records of the Middlesex County Registry of Deeds (the "**Declaration of Trust**"), and as further described in Exhibit A, attached hereto and incorporated herein (the "**Disposition Property**");

WHEREAS, PHA owned and operated the Disposition Property as low-rent public housing with financial assistance provided by HUD under the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 et. seq. (the "Act");

WHEREAS, construction and/or operation of the Disposition Property was financed in part by HUD;

WHEREAS, PHA requested HUD approval of the conveyance of the Disposition Property and HUD has, as documented in the letter from HUD to PHA dated January 28, 2015, as thereafter

Please Return To: 55CCCL,

First American Title Insurance Company
National Commercial Services
800 Boylston Street, Suite 2820
Boston, MA 02199

Page 1 of 11

amended (collectively the "Approval Letter"), agreed to such sale on the terms and conditions set forth in the Approval Letter and that certain Disposition Agreement between HUD and PHA dated concurrently herewith (the "Disposition Agreement"), both attached hereto as Exhibit B and incorporated herein, and this Agreement (collectively, the "HUD Disposition Approval");

WHEREAS, HUD has approved a two-step conveyance of the Disposition Property, with PHA conveying the Disposition Units by deed and the Disposition Land by ground lease to Miller's River Holding LLC ("MRH"), and MRH conveying the deed and assigning the ground lease to Miller's River LLC ("MRLLC") in or about December 2018.

WHEREAS, PHA will realize proceeds from the conveyance of the Disposition Property, including payments pursuant to the ground lease, and payments pursuant to a purchase money mortgage for the Disposition Units evidenced by that certain Promissory Note from the Purchaser dated concurrently with and secured by a forty (40) year Leasehold Mortgage. (the "Disposition Proceeds")

WHEREAS, HUD has conditioned its approval for the transfer of the Disposition Property and use of Disposition Proceeds as set forth in the HUD Disposition Approval on the further condition that the Disposition Proceeds be used to fund renovation work on the Disposition Units and that the Disposition Units be developed and operated in accordance with HUD project-based voucher Section 8 rules issued pursuant to the Act (the "PBV Program") for a period of not less than thirty (30) years (the "Restricted Period");

AGREEMENT

NOW THEREFORE, in consideration of the promises and covenants herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

- 1. Use Requirement. Owner, for itself and for its successors and assigns, hereby covenants and agrees for the benefit of PHA and HUD that for the duration of the Restricted Period, use of Disposition Proceeds are limited to the development of units that will be used exclusively as units assisted under the PBV Program. If during the Restricted Period, any change in federal law or any action (or inaction) by Congress or any federal agency ("Federal Action") prevents any such unit from being operated as a unit assisted under the PBV Program, the affected unit(s) shall be made available for rental to a family whose income does not exceed 80% of area median income as determined by HUD. The determination as to whether a Federal Action prevents an affected unit from being operated under the PBV Program shall be in HUD's sole discretion.
- **2. Events of Default.** In the event the Use Requirement ceases to be satisfied prior to the expiration of the Restricted Period:
- A. <u>Notices of Violation</u>. PHA shall give to Owner written notice of the failure (a "**Notice of Violation**"). Owner shall have thirty (30) calendar days after the date on which a Notice of Violation is received in accordance with Section 6 below to cure the failure; provided

Page 2 of 11

that, if such Owner uses commercially reasonable efforts to cure the failure within the prescribed thirty (30) day period and is unable to do so, the PHA may approve in writing an extension of an additional thirty (30) calendar days to cure the failure, such approval not to be unreasonably withheld, conditioned or delayed.

- **B.** Events of Default. PHA is hereby authorized, and shall take whatever monitoring and enforcement steps it deems necessary to ensure compliance. If, after receiving a Notice of Violation, the failure is not corrected to the satisfaction of PHA within the prescribed amount of time, PHA may declare a default under this Section 2 (an "Event of Default") without further notice.
- C. Remedies. In an Event of Default by Owner, to the extent permitted by applicable law, PHA shall have the right to seek specific performance of the Use Requirement and/or to enjoin any violation of the Use Requirement in a court of competent jurisdiction. The right to specific performance and injunction shall be in addition to all other remedies available under statute, at law or in equity.
- Property ceases to be used in accordance with the Use Requirement prior to the expiration of the Restricted Period, any Disposition Proceeds applied to that portion of Disposition Property shall, subject to the limitations set forth in the Disposition Agreement, be eligible for recapture from and/or repayment by PHA to HUD and shall be treated as federalized assets subject to all federal requirements (the "Repayment Obligation").
- E. Rights of Equity Investors. PHA, shall endeavor as a courtesy to each party providing equity financing to the Disposition Property, as set forth in the notice provisions in Section 6 below (collectively, the "Equity Investors," or singularly, an "Equity Investor"), to deliver to Equity Investors a copy of any written notice provided to Owner and/or an assignee or successor thereto under this Agreement; provided, however, that the failure to provide such notice shall not subject the PHA to any liability or result in the derogation of any rights of the PHA to enforce the terms of this Agreement. Each Equity Investor shall have the right, but not the obligation, to cure any default identified in such notice within thirty (30) calendar days after the date on which the original Notice of Violation is received by Owner in accordance with this Section 2; provided that, if such Equity Investor uses commercially reasonable efforts to cure the failure within the prescribed thirty (30) day period and is unable to do so, PHA may approve in writing an extension of an additional thirty (30) calendar days to cure the failure, such approval not to be unreasonably withheld, conditioned or delayed. Any cure of any default by Owner under this Agreement by an Equity Investor shall be treated the same as if offered by Owner.
- 3. Actions Requiring the Prior Written Approval of HUD and PHA. Owner shall not convey, assign, transfer, sublease, pledge, hypothecate, encumber or otherwise dispose of the Disposition Property or any interest therein or permit the conveyance, assignment, transfer, sublease, pledge or encumbrance of the Disposition Property during the Restricted Period except for conveyance to the Millers River LLC in accordance with the provisions of the Disposition Approval, and to the CHA or related entity in accordance with a Right of First Refusal or Option to Purchase without the prior, jointly-executed, written approval of HUD and PHA.

Notwithstanding the foregoing, Owner need not obtain the prior written approval of HUD and PHA for (i) the conveyance or dedication of land for use as streets, alleys or other public rights-of-way, and (ii) the granting of easements for the establishment, operation and maintenance of public utilities.

- 4. Third Party Beneficiaries. HUD shall have the same enforcement remedies available to PHA under Section 2 of this Agreement, in addition to all other remedies available to HUD under statute, at law or in equity. No person or entity, other than the parties to this Agreement, has any rights or remedies under this Agreement.
- 5. Successors and Assigns. Recordation of this Agreement shall constitute the agreement by PHA and Owner to be bound by and to comply with the restrictions set forth in this Agreement. The benefits and burdens of this Agreement are convenants that run with the land and are binding upon and shall inure to the benefit of the parties, their successors and assigns, and every party now or hereafter acquiring any right, title, or interest therein or in any part thereof.
- by (a) personal service or receipted courier service, (b) by registered or certified first class mail, return receipt requested, or (c) nationally-recognized overnight delivery service, addressed to HUD, PHA or Owner, as appropriate, at the addresses for such parties set forth in the initial paragraph or third recital of this Agreement. Any notice or other communication sent pursuant to clause (a) hereof shall be deemed received upon such personal service, if sent pursuant to clause (b) shall be deemed received five (5) business days following deposit in the mail, and/or if sent pursuant to clause (c) shall be deemed received the next succeeding business day following deposit with such nationally recognized overnight delivery service. Any party may change its address by notice given in accordance with this Section 6. Equity Investors may be provided courtesy copies of notices under this Agreement in accordance with the delivery methods of this Section 6 upon delivery to HUD and PHA of such Equity Investor's address per this Section 6
- 7. **Business Day**. A business day is any calendar day other than a Saturday, Sunday or a holiday generally observed by banking institutions in the Commonwealth of Massachusetts. In the event the last day permitted for the performance of any act required or permitted under this Agreement falls on a day other than a business day, the time for such performance will be extended to the next succeeding business day. Each time period under this Agreement shall exclude the first day and include the last day of such time period.
- **8. Amendments**. This Agreement may be amended only by a written instrument signed by the parties to this Agreement. Notwithstanding the foregoing, the parties may not amend, modify, rescind, revoke and/or terminate this Agreement without the prior written approval of HUD.
- 9. Subordination. Any mortgage liens shall be subject and subordinate to this Agreement. This Agreement shall survive default, foreclosure and bankruptcy.

- 10. Fair Housing and Civil Rights Requirements. With regard to the Disposition Property, Owner shall comply with all applicable fair housing and civil rights requirements including the obligations to affirmatively further fair housing and adhere to the site selection and neighborhood standards set forth in 24 CFR §§ 1.4(b)(3) and 941.202, as applicable.
- 11. Federal Accessibility Requirements. With regard to the Disposition Property, Owner shall comply with all applicable federal accessibility requirements under the Fair Housing Act and the implementing regulations at 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and the implementing regulations at 24 CFR Part 8, and Titles II and III of the Americans with Disabilities Act and the implementing regulations at 28 CFR Parts 35 and 36, respectively.
- 12. Impairment of HAP Contract. The terms and provisions of this Agreement shall continue in full force and effect except as expressly stated herein. If there are any conflicts between this Agreement and any Housing Assistance Payments ("HAP") Contract this Agreement shall control.
- 13. Execution of Other Agreements. PHA and Owner each covenant and agree that it has not and shall not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth herein and supersede any conflicting requirements.
- 14. Subsequent Statutory Amendments. If revisions to the provisions of this Agreement are necessitated by subsequent statutory amendments, PHA and Owner each agree to execute modifications to this Agreement as necessary to conform to the statutory amendments. In the alternative, at HUD's sole and absolute discretion, HUD may implement any such statutory amendment through rulemaking.
- 15. Reimbursement of Attorney Fees. Owner shall reimburse PHA for all attorneys' fees and expenses reasonably incurred by PHA in connection with the enforcement of PHA's rights under this Agreement, including, but not limited to, all such fees and expenses for trial, appellate proceedings, out-of-court workouts, mediation and settlements, and for enforcement of rights under any state or federal statute, including, but not limited to, all such fees and costs relating to any bankruptcy and/or insolvency proceedings of such Successor Owner, such as in connection with seeking relief from stay in a bankruptcy proceeding or negotiating and documenting any amendment or modification of this Agreement.
 - 16. Incorporation of Recitals. The above recitals are incorporated herein by reference.
- 17. Governing Law. This Agreement shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts, and the parties shall submit to the jurisdiction and venue of the courts of the Commonwealth of Massachusetts in the county where the Disposition Property is located in any legal proceeding necessary to interpret or enforce this Agreement.

- 18. No Negotiation. This Agreement is not subject to negotiation by PHA, Owner or any lender with a secured interest in the Disposition Property.
- 19. Severability. The invalidity or unenforceability of any clause, part or provision of this Agreement shall not affect the validity or enforceability of the remaining portions thereof.
- **20.** Counterpart Signatures. This Agreement may be executed in any number of original counterparts, all of which evidence only one agreement, and only one of which need be produced for any purpose.
- 21. Attached Exhibits. The following Exhibits are attached to this Agreement and incorporated herein:

Exhibit A – Legal Description of the Disposition Property Exhibit B – Approval Letter

[This space intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, by their respective duly authorized representatives, have caused their names to be subscribed hereto, on the first date herein above written.

PHA and Owner each hereby certify that the statements and representations contained in this instrument and all supporting documentation are true, accurate, and complete and that each signatory has read and understands the terms of this Agreement. This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by HUD as a true statement of facts contained therein.

PHA:

CAMBRIDGE HOUSING AUTHORITY,
a public body corporate and politic

By:

Its:

Executive Director

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF MIDDLESEX)

On	Mam	\mathcal{M}_{a}	_, 2016, befoi	re me	166	1 Cal	l~	, Notary Public,
VII _	101011	<u> </u>	_, 2010, 0010	<u> </u>	MAINT	<u> </u>	-	
perso	onally ap	peared C	iregory P. Ru	ıss, who pro	oved to m	e on the ba	sis of satis	factory evidence to
be th	e person	. whose r	name is subsc	ribed to the	within ir	nstrument a	ind acknov	vledged to me that
he/sł	ne/they e	xecuted 1	the same in h	is authorize	ed capacit	y, and that	by his/her	/their signature on
the i	nstrumer	it the per	son, or the er	ntity upon b	ehalf of v	which the p	erson acte	d, executed the
instr	ument.							

WITNESS my hand and official seal.

Notary Public

Print Name: Susan

My commission compires: SUSAN C. COHEN Notary Public COMMONWEATHOR MASSACHUSETTS My COMMISSION EXPINES JULY 09. 2021

OWNER:

MILLERS RIVER HOLDING, LLC a Massachusetts limited liability company

By: Margaret Donnelly Morah

Its: Authorized Signatory

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF MIDDLESEX)

On Many 2016, before me, Susaw C. Common, Notary Public, personally appeared Margaret Donnelly Moran, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

Print Name: Susan C. Color

My commission expres:

HUD:

U.S. DEPARTMENT OF HOUSING AND

URBAN DEVELOPMENT

By:

larily#B. Ø'Sullivan

Its:

Director and Authorized Agent

Boston Office of Public Housing

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK COUNTY

WIPMESS my hand and official seal.

Notary Public

Print Name:

My commission expires:

SIGNATURES MUST BE NOTARIZED

Warning:

Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in any matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

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EXHIBIT A DISPOSITION PROPERTY

Address: 15 Lambert Street, Cambridge, MA

HUD Project No.: MA003000301

HUD AMP No.: 310

A certain parcel of land with the buildings and improvements thereon situated on Lambert Street, Cambridge Street, Gore Street and Medford Street in the City of Cambridge and the City of Somerville, Middlesex County, Commonwealth of Massachusetts, and shown on a plan entitled "Plan of Land in Cambridge & Somerville, Mass." dated July 6, 1971, by Boston Survey Consultants (the "Plan") which Plan is recorded with the Middlesex South Registry of Deeds as Plan No. 411 of 1972 at Book 12192, Plan 541 bounded and described as follows:

Southerly: by Cambridge Street, ninety-nine and 15/100 feet;

Westerly: by the right of way now or formerly of Penn Central Transportation

Company, one hundred eighty-six and 86/100 feet;

Northeasterly: by Medford and Gore Streets. one hundred forty-two and 15/100 feet,

and by Gore Street, one hundred sixteen and 97/100 feet;

Southeasterly: by Lambert Street, two hundred twenty-four feet;

Southwesterly: by land now or formerly of Simeone, sixty-five and 5/10 feet; and

Southeasterly: by land now or formerly of Simeone, Nocella, Delaney and Sherkanowski,

one hundred sixty-three and 87/100

$\frac{\textbf{EXHIBIT B}}{\textbf{HUD DISPOSITION APPROVAL}}$

[See Attached]

Page 11 of 11

DISPOSITION AGREEMENT

This Disposition Agreement (this "Agreement") dated as of June 1, 2016, is by and between the U.S. Department of Housing and Urban Development ("HUD"), with the address of 10 Causeway Street, Room 301, Boston, Massachusetts, 02222-1092, and the Cambridge Housing Authority, a public body corporate and politic organized under the laws of the Commonwealth of Massachusetts ("PHA"), with an address of 362 Green Street, Cambridge, Massachusetts 02139-3309.

RECITALS

WHEREAS, PHA owns and operates one (1) dwelling building containing a total of three hundred and two (302) units, two hundred and ninety seven (297) of which are dwelling units, and one and 65/100ths (1.65) acres of underlying land at Miller's River, MA003000301, more particularly described in that certain Declaration of Trust recorded in the official records of the Middlesex County Registry of Deeds (the "Declaration of Trust"), and as further described in Exhibit A, attached hereto and incorporated herein (the "Disposition Property");

WHEREAS, PHA owned and operated the Disposition Property as low-rent public housing with financial assistance provided by HUD under the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 et. seq. (the "Act");

WHEREAS, construction and/or operation of the Disposition Property was financed in part by HUD;

WHEREAS, PHA requested HUD approval of the conveyance of the Disposition Property and HUD has, as documented in the letter from HUD to PHA dated January 28, 2015, as thereafter amended (collectively the "Approval Letter"), agreed to such sale on the terms and conditions set forth in the Approval Letter and that certain Disposition Agreement between HUD and PHA dated concurrently herewith (the "Disposition Agreement"), both attached hereto as Exhibit B and incorporated herein, and this Agreement (collectively, the "HUD Disposition Approval");

WHEREAS, HUD has approved a two-step conveyance of the Disposition Property, with PHA conveying the Disposition Units by deed and the Disposition Land by ground lease to Miller's River Holding LLC ("MRH") on or about June 2016, and MRH conveying the deed and assigning the ground lease to Miller's River LLC ("MRLLC") in or about December 2018.

WHEREAS, PHA will realize proceeds from the conveyance of the Disposition Property, including payments pursuant to the ground lease, and payments pursuant to a purchase money mortgage for the Disposition Units evidenced by that certain Promissory Note from the Purchaser dated concurrently with and secured by a forty (40) year Leasehold Mortgage. (the "Disposition Proceeds")

WHEREAS, HUD has conditioned its approval for the transfer of the Disposition Property and use of Disposition Proceeds as set forth in the HUD Disposition Approval on the further condition that the Disposition Proceeds be used to fund renovation work on the Disposition Units

Page 1 of 11

and that the Disposition Units be developed and operated in accordance with HUD project-based voucher Section 8 rules issued pursuant to the Act (the "PBV Program") for a period of not less than thirty (30) years (the "Restricted Period");

AGREEMENT

NOW THEREFORE, in consideration of the promises and covenants herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

- 1. Disposition of the Disposition Property. PHA shall not convey, assign, transfer, sublease, pledge, hypothecate, encumber or otherwise dispose of the Disposition Property prior to HUD releasing the Declaration of Trust as it relates to the Disposition Property.
- 2. Use of the Disposition Property. PHA shall encumber the Disposition Property with a use agreement between PHA, HUD and the Purchaser in a form acceptable to HUD (the "Use Agreement"). The Use Agreement shall be recorded against the Disposition Property in a first-lien position, with the exception of (i) property taxes and assessments not yet due and payable, (ii) easements for the establishment, operation and maintenance of public utilities, and (iii) encumbrances that do not constitute a lien or other security interest on the Disposition Property or grant any party the right to a lien or security interest on the Disposition Property.

3. Use of the Disposition Proceeds.

- A. Approved Uses. PHA shall use the Disposition Proceeds solely for purposes authorized under, and in accordance with, Section 18 of the Act, 24 CFR Part 970, the Approval Letter and/or all other applicable HUD notices and other guidance in effect at the time of this Agreement (the "Approved Uses"). Other proposed uses of proceeds must first get approval from HUD. Any Disposition Proceeds not used in a manner that complies with this Agreement shall be eligible for recapture from and/or repayment by PHA to HUD and shall be deemed federalized assets subject to all applicable federal requirements. Approved Uses include:
 - (1) Initial cash proceeds from disposition are to be loaned back to MRLLC to fund renovation work at the Disposition Property;
 - (2) Rental payments above costs under the Project Based Voucher Housing Assistance Payments contract (PBV HAP) of the existing units prior to the transfer to MRLLC will be used to support renovation work at the Disposition Property, including predevelopment costs and expenses; and
 - (3) Ground lease payments prior to the transfer to MRLLC will be used to support renovation work at the Disposition Property, including predevelopment costs and expenses.

- (4) Payments pursuant to the ground lease, repayments received in future years from seller notes, or other repayments, may be used to support the development and rehabilitation of project-based voucher units. Use of the funds for that purpose will be subject to HUD requirements at the time CHA receives the funds.
- B. Reporting Requirements. Until directed otherwise by HUD in writing, PHA shall submit to HUD reports in the number and form required by HUD, but at least on an annual basis as part of PHA's audited financial statements, indicating the amount of the Disposition Proceeds, if any, PHA has both received and expended, along with any additional information that HUD may require. Such reports shall include without limitation the following information: (i) whether PHA realized any of the Disposition Proceeds in the twelve (12) months preceding submission of the report to HUD, and if so, the exact dollar amounts; (ii) evidence that PHA maintains separate accounting for the Disposition Proceeds; and (iii) a detailed description, including the exact amount in dollars, of the use of any of the Disposition Proceeds in the twelve (12) months preceding submission of the report to HUD. Upon written request, PHA shall submit to HUD copies of invoices and/or receipts for all expenditures of the Disposition Proceeds within thirty (30) calendar days of receipt of such request.
- C. Designated Fund Account. Upon receipt of any Disposition Proceeds, PHA shall deposit the Disposition Proceeds in a Designated Fund Account (entitled "Cambridge Housing Authority Millers Rivers Holding") whereby Disposition Proceeds will be maintained and accounted for. This account will be a separate general ledger account enabling a full accounting of the deposit and withdrawal of funds, able to provide monthly, quarterly and annual reporting of activity, and able to be audited or reviewed by independent accountants or any other third party agency. The Disposition Proceeds shall be released from the Designated Fund Account only for the Approved Uses.

4. Use of Properties to Which the Disposition Proceeds are Applied.

- A. <u>Implementation of the Use Requirement</u>. Any dwelling units to which the Disposition Proceeds are applied must be operated in accordance with the Approved Uses (the "Use Requirement").
- B. Encumbrance of the Disposition Property. The Disposition Property shall be encumbered by a use agreement between HUD, PHA, and, if applicable, Third Party property owners, requiring the property be used in compliance with the Use Requirement for a period of least thirty (30) years (the "Restricted Period"). The use agreement shall be in a form approved by HUD, and shall be recorded against the property subject, in each instance, only to (a) property taxes and assessments for the year in which the use agreement is recorded, a lien not yet due and payable (if and as applicable), and (b) other encumbrances that do not constitute a lien or other security interest on the encumbered property or grant any party the right to a lien or security interest on the encumbered property. The Restricted Period shall commence on the date the units are used as units assisted under the PBV Program or the date the use agreement is recorded against the Disposition Property, whichever date is later.

- C. Encumbrance of other properties. Use of Disposition Proceeds for the development and rehabilitation of project-based voucher units in properties other than the Disposition Property are subject to HUD requirements at the time CHA receives the funds, including the possible requirement that these other properties be encumbered by a use agreement or other use restriction.
- **D.** <u>Applicability of the Use Requirement</u>. The following shall not constitute a breach of the Use Requirement:
- (1) <u>Vacant Units</u>. If one or more units to which the Disposition Proceeds are applied are left vacant for a commercially reasonable period (i) while one tenant is moving out and before another has moved in to such unit, (ii) while waiting for a new qualifying tenant in the event there are no tenants immediately available to move in after the previous qualifying tenant vacates, or (iii) while the unit is being renovated and/or repaired.
- Proceeds are applied are damaged or destroyed by fire or other casualty and the use of such unit(s) in conformance with the Use Requirement ceases during a period of repairs and/or reconstruction; provided that (i) PHA is timely notified of the casualty; (ii) the owner uses commercially reasonable efforts to cause the unit(s) to be repaired or restored to substantially the same condition as existed prior to the event causing damage or destruction, (iii) the unit(s) are actually repaired or restored within two (2) years after the date of the casualty, and (iv) the unit(s) are thereafter operated in accordance with the Use Requirement for the remainder of the Restricted Period. Notwithstanding the foregoing, the owner shall not be required to repair and/or reconstruct the units if the cost of such repair and/or reconstruction exceeds the insurance proceeds received by the owner or the owner is unable to obtain the necessary permits for such repair and/or reconstruction.
- Takings. If one or more units to which the Disposition Proceeds **(3)** are applied are taken for any public or quasi-public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking"), or if any other portion of the property in which one or more of the units are located, which property is necessary for a tenant's occupancy of one of the units, has been subject to a Taking; provided that (i) PHA is timely notified of the Taking; (ii) the owner applies funds received as a result of the Taking to the acquisition and development of other residential units that will be operated in accordance with the Use Requirement, (iii) the new units are acquired or developed within two (2) years after the date of the Taking, and (iii) the new units are thereafter operated in accordance with the Use Requirement for the remainder of the Restricted Period. Notwithstanding the foregoing, in the event of a material taking of any part of the Disposition Property which in the reasonable opinion of the owner, with the written consent of the Equity Investor, renders the continuing operation of the Disposition Property in accordance with the Use Requirements economically unfeasible, the owner shall not be required to restore or acquire and develop replacement housing.

- E. <u>Violation of the Use Requirement</u>. In the event any unit or units to which the Disposition Proceeds are applied cease to be used in accordance with the Use Requirement prior to the expiration of the Restricted Period:
- (1) <u>Notices of Violation</u>. HUD shall give written notice of the failure to PHA (a "Notice of Violation"). PHA shall have ninety (90) calendar days after the date on which a Notice of Violation is received in accordance with Section 8 below to cure the failure. HUD is hereby authorized, and shall take whatever investigative steps it deems necessary in order to ensure compliance. If, after receiving Notice of a Violation, the failure is not corrected to the satisfaction of HUD within the prescribed amount of time, HUD may declare a default under this Section 4(D)(1) (an "Event of Default") without further notice.
- (2) Remedies. In an Event of Default, to the extent permitted by applicable law, HUD shall have the right to seek specific performance of the Use Requirement and/or to enjoin any violation of the Use Requirement in a court of competent jurisdiction. The right to specific performance and injunction shall be in addition to all other remedies available under statute, at law or in equity.
- (3) Recapture of Federal Funds. In the event that any of the units to which Disposition Proceeds are applied cease to be used in accordance with the Use Requirement prior to the expiration of the Restricted Period, the Disposition Proceeds applied to that unit (or those units) shall, subject to the limitations set forth below, be eligible for recapture from and/or repayment by PHA to HUD and shall be treated as federalized assets subject to all federal requirements.
- (a) In the event fewer than all of the units to which the Disposition Proceeds are applied cease to be used in conformance with the Use Requirement within the Restricted Period, only those Disposition Proceeds applied to the units that cease to be used in conformance with the Use Requirement within the Restricted Period will be eligible for recapture from and/or repayment by PHA to HUD in accordance with this Section 4(D)(3).
- (b) In the event the Disposition Proceeds are withdrawn from the Designated Fund Account and some are applied for the purposes for which they were withdrawn or returned to the Designated Fund Account as provided in Section 3(C) and other are not, only those funds not applied for the purposes for which they were withdrawn or returned to the Designated Fund Account will be eligible for recapture from and/or repayment by PHA to HUD in accordance with this Section 4(D)(3).
- 5. Relocation of Residents. The PHA shall not proceed to enter into any long-term ground lease or disposition agreement until:
- A. all residents have been offered the opportunity to move with tenant-based vouchers, and until all residents who opt for tenant-based vouchers find housing and are relocated or offered the opportunity to move with tenant-based voucher assistance later if

consistent with PBV/MTW rules. Residents will be advised that during their tenancy, they maintain the opportunity to move with tenant-based assistance; and

- **B.** all residents choosing not to move with tenant-based vouchers are appropriately relocated.
- 6. Transfer to MRLLC. In the event the Disposition Property is not transferred to MRLLC by December 31, 2018, HUD may, in its sole discretion, exercise one of the following remedies:
- A. Require the Disposition Property to be transferred back to PHA, and placed under a Declaration of Trust;
- B. Permit the Disposition Property to remain in its current ownership, subject to the existing Use Agreement, upon such conditions as HUD deems appropriate in light of any excess income generated by the Project Based HAP contract; or
- C. Require other arrangements or conditions that will effectuate the purpose of the approved disposition to the greatest extent possible under the circumstances.

7. PIC and Monitoring.

- A. The PHA shall advise HUD, at the address set forth herein, of the status of the disposition, in accordance with 24 C.F.R. Section 970.35. This shall include a report to HUD confirming the disposition and certifying compliance with all applicable requirements. HUD shall verify that initial net cash proceeds are used to fund renovation work at the Disposition Property, and that the PHA's records are adequately documented to support this. Files must be maintained which are sufficient for audit purposes and must be made available upon request.
- **B.** The PHA must enter data in to the PIC system accurately to ensure the units and acres of land are removed from inventory on the actual date of disposition.
- 8. Title Insurance. Within ten (10) business days of recordation of the Use Agreement, PHA shall provide HUD with a conformed copy of a lender's and/or owner's title insurance policy, evidencing that the Use Agreement has been recorded prior to any financing.
- 9. Third Party Beneficiaries. This agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the parties to this Agreement.
- 10. Successors and Assigns. Wherever referenced in this Agreement, the terms "HUD" and "PHA" shall include the respective successors and assigns of each party; provided, however, that in no event will successor owners of properties containing units to which the Disposition Proceeds are applied be deemed to be successors to PHA under this Agreement by

virtue of such fact.

- 11. Notices. All notices and/or reporting under this Agreement shall be in writing and shall be served by (a) personal service or receipted courier service, (b) by registered or certified first class mail, return receipt requested, or (c) nationally-recognized overnight delivery service, addressed to HUD or PHA, as appropriate, at the addresses for such parties set forth in the initial paragraph of this Agreement. Any notice or other communication sent pursuant to clause (a) hereof shall be deemed received upon such personal service, if sent pursuant to clause (b) shall be deemed received five (5) business days following deposit in the mail, and/or if sent pursuant to clause (c) shall be deemed received the next succeeding business day following deposit with such nationally recognized overnight delivery service. Any party may change its address by notice given in accordance with this Section 11.
- 12. Business Day. A business day is any calendar day other than a Saturday, Sunday or a holiday generally observed by banking institutions in the Commonwealth of Massachusetts. In the event the last day permitted for the performance of any act required or permitted under this Agreement falls on a day other than a business day, the time for such performance will be extended to the next succeeding business day. Each time period under this Agreement shall exclude the first day and include the last day of such time period.
- 13. Amendments. This Agreement may be amended only by a written instrument signed by the parties to this Agreement.
- 14. Execution of Other Agreements. PHA covenants and agrees that it has not and shall not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth herein and supersede any conflicting requirements.
- 15. Subsequent Statutory Amendments. If revisions to the provisions of this Agreement are necessitated by subsequent statutory amendments, PHA agrees to execute modifications to this Agreement as necessary to conform to the statutory amendments. In the alternative, at HUD's sole and absolute discretion, HUD may implement any such statutory amendment through rulemaking.
- 16. Incorporation of Recitals. The above recitals are incorporated herein by reference.
- 17. Governing Law. This Agreement shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts, and the parties shall submit to the jurisdiction and venue of the courts of the Commonwealth of Massachusetts in the county where the Disposition Property is located in any legal proceeding necessary to interpret or enforce this Agreement.
- 18. No Negotiation. This Agreement is not subject to negotiation by PHA or any lender with a secured interest in the Disposition Property.

- 19. Severability. The invalidity or unenforceability of any clause, part or provision of this Agreement shall not affect the validity or enforceability of the remaining portions thereof.
- 20. Counterpart Signatures. This Agreement may be executed in any number of original counterparts, all of which evidence only one agreement, and only one of which need be produced for any purpose.
- 21. Recordation of Agreement. HUD and PHA agree not to record this Agreement or any memorandum of it.
- **22. Attached Exhibits.** The following Exhibits are attached to this Agreement and incorporated herein:

Exhibit A – Legal Description of the Disposition Property Exhibit B – Approval Letter

IN WITNESS WHEREOF, the parties hereto, by their respective duly authorized representatives, have each caused their names to be subscribed hereto, on the date first herein above written.

PHA hereby certifies that the statements and representations contained in this instrument and all supporting documentation are true, accurate, and complete and that each signatory has read and understands the terms of this Agreement. This instrument has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by HUD as a true statement of facts contained therein.

PHA:

CAMBRIDGE HOUSING AUTHORITY, a public body corporate and politic

By:

Gregory P. Russ

Its: Executive Director

HUD:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By:

arilyn B. O'Sullivan

Its:

Director and Authorized Agent

Office of Public Housing

Warning:

Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in any matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

EXHIBIT A DISPOSITION PROPERTY

Address: 15 Lambert Street, Cambridge, MA

HUD Project No.: MA003000301

HUD AMP No.: 310

A certain parcel of land with the buildings and improvements thereon situated on Lambert Street, Cambridge Street, Gore Street and Medford Street in the City of Cambridge and the City of Somerville, Middlesex County, Commonwealth of Massachusetts, and shown on a plan entitled "Plan of Land in Cambridge & Somerville, Mass." dated July 6, 1971, by Boston Survey Consultants (the "Plan") which Plan is recorded with the Middlesex South Registry of Deeds as Plan No. 411 of 1972 at Book 12192, Plan 541 bounded and described as follows:

Southerly: by Cambridge Street, ninety-nine and 15/100 feet;

Westerly: by the right of way now or formerly of Penn Central Transportation

Company, one hundred eighty-six and 86/100 feet;

Northeasterly: by Medford and Gore Streets. one hundred forty-two and 15/100 feet,

and by Gore Street, one hundred sixteen and 97/100 feet;

Southeasterly: by Lambert Street, two hundred twenty-four feet;

Southwesterly: by land now or formerly of Simeone, sixty-five and 5/10 feet; and

Southeasterly: by land now or formerly of Simeone, Nocella, Delaney and

Sherkanowski, one hundred sixty-three and 87/100

<u>EXHIBIT B</u> APPROVAL LETTER

[See Attached]

Page 11 of 11



OFFICE OF PUBLIC HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 886-6413

JAN 2 8 2015

Mr. Gregory Russ
Executive Director
Cambridge Housing Authority
362 Green Street 3rd floor
Cambridge, MA 02139-3309

Dear Mr. Russ:

The Department has reviewed the Cambridge Housing Authority's (CHA) application for the disposition of 1 dwelling building containing 297 dwelling units, 2 merged units, 5 non-dwelling units, on 1.65 acres of underlying land at Washington Elms known as Millers River, MA003000301. The Special Applications Center (SAC) received this application on August 29, 2014, via the Public and Indian Housing Information Center (IMS/PIC), Application DDA0005681. Supplemental information was received through November 30, 2014.

Field Office and FHEO Certification

The Environmental Review was performed by the City of Cambridge under 24 CFR Part 58 on March 8, 2012. Boston HUB approval was not required because the project or activity was determined to be categorically excluded under 24 CFR § 58.35(b).

The Boston HUB provided a certification stating that the subject submission accurately describes the project proposed for disposition, and the reasons provided by the CHA to support the proposed action are correct and factual.

The CHA is a Moving to Work (MTW) agency and substituting its MTW plan for the PHA plan. The proposed action is included in the MTW plan submitted to the Boston HUB on February 8, 2014.

On October 7, 2014, the Boston Fair Housing and Equal Opportunity Center (FHEO), Program Compliance Branch, recommended the disposition approval. An advance draft of this approval letter was sent to the CHA for their comments on December 8, 2014. The CHA responded with-comments on January 5, 2015. An advance draft was sent to the Boston HUB for their comments on December 8, 2014.

Visit our World Wide Web Site http://www.hud.gov/offices/pih/centers/sac/

Description of Development

The CHA proposed the disposition of 1 dwelling building containing 297 dwelling units, and 2 merged units and 5 non-dwelling units and 1.65 acres of underlying land at Washington Elms formerly known as Millers River, MA003000301. Details of the proposed disposition are as follows:

Washington Elms (Millers River), MA003000301 DOFA:12/7/1951						
Bedroom Size	0-BR	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	226	233	223	144	42	868
Proposed Units	*225	78	1	0	. 0	304
Existing Land 18.70					Acres	
Proposed Land 1.65					Acres	
Number of Dwelling Buildings Existing					26	
Number of Dwelling Building Proposed					I	
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments 2,435						
Building Address Per PIC: 15 Lambert Street						

*Includes 5 non-dwelling units, and 2 merged units

History of the Development

The CHA has not received any Inventory Removal approvals from HUD for Washington Elms, known as Millers River, MA003000301.

Reason for Action (Justification)

The CHA proposed the disposition based on 24 CFR § 970.17, which requires the PHA to certify that the disposition of the property is in the best interests of the residents and the PHA because the PHA has determined the disposition to be appropriate for reasons that are consistent with the goals of the PHA and the PHA Plan and that are otherwise consistent with the Act.

The CHA will transfer the ownership of the Millers River building directly to a limited liability corporation (LLC) as part of tax credit syndication to raise funds for the rehabilitation. The CHA will keep control of the land and would provide the LLC with a 99-year ground lease.

The Millers River building would be owned by Millers River LLC ("Ownership LLC") which would be 99.99 percent owned by the tax credit investor member and 0.01 percent by the managing member of the ownership LLC. A non-profit instrumentality of the CHA, Essex Street Management, Inc., would serve as the project developer as well as the sole member in a second LLC, Millers River Manager LLC ("Managing Member LLC") which would serve as the managing member as well as 0.01 percent owner of Ownership LLC. The Ownership LLC would contract with the CHA for property and asset management services.

Financing, based upon the Tenant Protection Vouchers (TPV) awarded after the sale of the Millers River building is approved, would be used by the CHA and the Essex Street Management, Inc. to complete the needed renovations to the building. The sale, coupled with the use of tax-exempt financing, would trigger an allocation of 4 percent Low-Income Housing Tax Credits (LIHTC) which would attract tax credit investors who would provide a significant capital contribution to the project. Additionally, project-basing the Tenant Protection Vouchers would be done at Millers River so the property could support debt. Between the equity contributions and the private financing the CHA will have sufficient funds to proceed with the needed renovations to Millers River.

The CHA will continue to have significant role in the future as well as the day-to-day operations of Millers River. As noted it would keep control of the land by leasing it to the Ownership LLC through a ground lease structure. An instrumentality of the CHA would serve as the managing member of the Ownership LLC and the CHA itself would serve as the property manager of Millers River under a property management contract with the LLC. This structure effectively means that the CHA will be making the day-to-day decisions for the property, and be in the position to ensure that it continues to be a housing resource to low-income households. The CHA will also provide the operating subsidy through a Section 8 Housing Assistance Payment contract (HAP) and would be a lender through a seller-financed acquisition cost note as well as a program fund note. Both these additional roles provide instruments for the CHA to specify and control the long term affordability of Millers River.

The CHA is anticipating that the property would sell at it assessed value of \$34,081,100. The CHA will provide a seller's note of \$22,834,300 and will receive net cash proceeds of \$10,867,900 as noted below:

•	Sale Price	\$34,081,100 ·
•	Less Seller Note	(\$22,834,300)
•	Total Cash Proceeds	\$11,246,800
•	Less Fees and Cost	(\$378.900)
•	Net Cash Proceeds	\$10,867,900

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this disposition application.

TDC per Notice PIH-2011-38; Year: 2014 Type of Structure: Elevator Area: Boston				
Bedroom Size	Number of Unit	TDC/Unit	Total Cost	
0-BR	223	\$152,961	\$34,110,303	
1-BR	78	\$214,145	\$16,703,310	
2-BR	1	\$275,329	\$275,329	
TOTAL			\$51,088,942	

The CHA provided an estimate for itemized rehabilitation costs, based upon the existing conditions of the units. SAC made some adjustments to the items and amounts included, which are shown on Exhibit – B at the end of this document. The CHA estimated a total of \$55,926,772 in rehabilitation costs. After the SAC adjustments, rehabilitation is estimated to cost \$32,526,592, which is 63.67 percent of the TDC limit.

Appraisal

The CHA submitted an estimate of the Fair Market Value (FMV) with the application. The value of \$34,081,100, of which \$11,056,000 corresponds to the land and \$23,024,700 corresponds to the building, was estimated by City of Cambridge Assessing Department. As required by 24 CFR § 970.19(d), we have determined that this method of valuation is acceptable to establish an estimate of the value for this below FMV transaction.

Negotiated Sale

The CHA proposed the disposition via a negotiated sale for the building to the Millers River LLC. The land would be leased via a 99-year ground lease at \$73,000 per year.

Commensurate Public Benefits

The CHA will transfer the ownership of the Millers River building directly to a limited liability corporation (LLC) as part of tax credit syndication to raise funds for the rehabilitation. The CHA will keep control of the land and would provide the LLC with a 99-year ground lease, with seller financing to be repaid with available cash flow as defined in the transaction documents.

Therefore, although the negotiated sale/lease is at less than FMV given the seller provided financing, because of the benefits arising from the negotiated sale, it is in the best interest of the public housing residents and the PHA, and will result in a commensurate public benefit, as required in 24 CFR § 970.19.

Use of Proceeds

According to the Office of the Chief Financial Officer, there is no outstanding debt on Washington Elms known as Millers River, MA003000301. The CHA will initially realize net cash proceeds of \$10,867,900 from this disposition. The CHA will loan back to the Millers River project an equivalent amount of the net cash proceeds from the sale of the building received by the CHA to help fund the renovation work. We determined that use of proceeds to fund renovation of project-based Section 8 units meets the requirements of the statute.

In the event that the CHA receives repayments in future years from the seller note of \$22,834,300, or other repayments, the CHA may use proceeds to support the development and rehabilitation of project-based voucher units. Other proposed uses of proceeds must first get approval from the SAC. Any repayments would be from available cash flows from future operations, subject to the position of the note in the cash flow waterfall established in the Ownership LLC's Operating Agreement.

Relocation

When the application was developed and transmitted to the Department, 297 units proposed for disposition were occupied. The CHA has submitted a certification regarding relocation as required by 24 CFR § 970.21(e) (f). The CHA estimated the relocation cost for the remaining residents to be \$103,898.82, which includes moving expenses and counseling/advisory services. The funds for relocation are allocated under MTW resources. The housing resources offered will be units in other public housing, RAD project-based housing, and/or other project-based voucher or tenant-based voucher housing.

Resident Consultation

- 1. Project Specific Resident Organization: Millers River Tenant Council (MRTC)
- 2. PHA-wide Resident Organization: The Alliance of Cambridge Tenants (ACT)
- 3. Resident Advisory Board (RAB) in accordance with 24 CFR § 903.13: ACT

24 CFR § 970.9 requires that an application for disposition be developed in consultation with the tenants of the project involved, any tenant organization at the project involved and any PHA-wide organizations that will be affected by the activity. The CHA held meetings with the MRTC and the residents at Millers River on September 26, 2013 and August 13, 2014 to discuss the disposition application. The CHA has included sign-in sheets from the meetings. Representatives from ACT attended the 14 meetings held across the City as well as the meeting with the City Council subcommittee. In addition, representatives from ACT attended the MTW Annual Plan public hearing on December 15, 2011, and the final City-Wide Disposition meeting on February 15, 2012. Additional meetings were held on February 27, 2012 to review the recommendation to precede with the disposition applications, and on March 12, 2012 and April 24, 2012 to review draft applications.

24 CFR § 970.9(a) requires submission of any written comments, and the HA's evaluation of the written comments with the application package. The CHA did receive written comments from the residents and resident organizations. The CHA responded to all written comments received from the residents and resident organizations.

Offer for Sale to the Resident Organization

24 CFR § 970.9(b) (1) of the regulation requires that a public housing agency offer the opportunity to purchase the property proposed for disposition to any eligible resident organization, eligible resident management corporation as defined in 24 CFR Part 964, or to a nonprofit organization acting on behalf of the residents, if the resident entity has expressed an interest in purchasing the property for continued use as low-income housing. The CHA has chosen not to provide an opportunity based on the exception found in 24 CFR § 970.9(b) (3). (ii) "A PHA seeks disposition outside the public housing program to privately finance or otherwise develop a facility to benefit low-income families (e.g., day care center, administrative building, mixed-finance housing under 24 CFR Part 905 subpart F, or other low-income housing)"

Mayor/Local Government Consultation

As required by 24 CFR § 970.7(a) (14), the application package includes a letter of support from Mr. Richard C. Rossi, City Manager of the City of Cambridge, dated August 4, 2014.

Board Resolution

As required by 24 CFR § 970.7(a) (13), the CHA's Board of Commissioners approved the submission of the application for disposition of the proposed property on July 16, 2014. The last resident consultation was on August 13, 2014. The consultation with the local government took place on numerous occasions beginning on January 26, 2012 and including as recently as August 4, 2014.

Approval

We have reviewed the application and find it to be consistent with Section 18 of the Act, and the implementing regulations, 24 CFR Part 970, including requirements related to resident consultation, relocation and opportunity to purchase the property by the resident organization. Based upon our review, and finding that the requirements of 24 CFR Part 970 and Section 18 of the Act have been met, the proposed disposition, as described in the application and identified below, is hereby approved. The use of proceeds to help fund the renovation of Millers River, MA003000301, and the development or rehabilitation of other units reserved for use with project-based Section 8 assistance, is also approved. Other uses of future proceeds from the sale or lease of the property would require prior HUD approval as an amendment to the disposition approval. Please inform the SAC if the estimated proceeds from the lease and sale change prior to closing from those identified below.

<u> </u>				
Millers River, MA003000301 Approved for Disposition: Building: 1, Units:302 (297 dwelling and 5 non dwelling), Acres: 1.65				
Total Units to be Redeveloped 302	Less than 80% of Area Median Income			
	ACC	Non-ACC	Market Rate	
Rental	0	302	0	
Acquiring Entity (Rental Units)	Millers River LLC, a company owner 99.99 percent by a tax credit investor member and 0.01 percent by a managing member company related to the Cambridge Housing Authority (CHA)		redit investor reent by a any related to	
Method of Sale	Negotiated Sale for the value of the improvements with seller financing. Ground lease of the land for 99 years		er financing.	
Sale Price	Currently e		22,834,300 for updated by	

Lease Price	Currently estimated at \$73,000 per annum for the ground lease; to be updated by appraisal prior to disposition
Purpose	Renovation and preservation of low- income housing using project based vouchers, low-income housing tax credits and debt financing

In addition to the 302 units 2 of the units being removed were merged, and 5 of the units being developed may remain for non-dwelling use. Notwithstanding this approval, the PHA shall not proceed to enter into any long-term ground lease or disposition agreement until all residents have been relocated.

The CHA shall ensure that 302 units of housing, including non-dwelling units as described above, are developed and operated on the property as affordable and reserved for families at or below 80 percent of AMI for a period of not less than 30 years.

These use restrictions requiring that Millers River LLC develop and operate the properties as 297 units for low-income families in accordance with project-based voucher Section 8 rules for 30 years, must be enforced by use agreements, or other legal mechanisms as determined by the HUD Boston HUB. Such use restriction documents must be recorded in a first priority position against the property, prior to any financing documents or other encumbrances, and remain in effect even in the event of default or foreclosure on the property.

- The acquiring entity shall maintain ownership and operation of the property during the use restriction period. The Millers River LLC shall not convey, sublease or transfer the building and land approved for this disposition without prior approval from the CHA and the Department at any point during the period of use restriction;
- The use restrictions shall be covenants that run with the land, and shall bind and inure to the benefit of the parties, their successors and assigns, and every party now or hereafter acquiring any right, title, or interest therein or in any part thereof.
- The CHA is responsible for monitoring and enforcing these use restrictions during the period they are in effect.

Operating Subsidy

Please be aware that in accordance with 24 CFR § 990.114, the disposition of these units will affect the CHA's operating subsidy eligibility significantly. Please contact your financial analyst at the HUD Boston HUB for additional guidance about this.

Tenant Protection Vouchers

CHA will need to submit an application for tenant protection vouchers to the Boston HUB. The CHA should submit its application in response to HUD Notice 2014-5, or HUD's current Notice outlining the application procedures.

Capital Fund Financing Program

As of December 1, 2014, the (CHA) did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal.

PIC and Monitoring

In accordance with 24 CFR § 970.35 of the regulation, your agency is required to inform the HUD Boston HUB of the status of the project. When the disposition has taken place, please submit a report to the HUD Boston HUB confirming the action and certifying compliance with all applicable requirements. Files must be maintained which are sufficient for audit purposes and must be made available upon request.

The CHA must enter the "actual" date of disposition directly into the Inventory Removals sub-module in IMS-PIC, for the Boston HUB approval so that the status of the units and acres of land in PIC is changed to "removed from inventory."

It is the Boston HUB's responsibility to monitor this activity based on its latest risk assessment. The Boston HUB must verify that the actual data is being entered in PIC by the CHA as the actions occur to ensure the Department is not over paying in operating subsidy, and the Capital Fund formula data is correct. Since this action expects to initially generate net cash proceeds of \$10,867,900, it is the Boston HUB's responsibility to verify the funds were used as approved, and the CHA's records are adequately documented to support this assertion.

The HUD Boston HUB has been informed of this approval. Its staff is available to provide any technical assistance necessary for your agency to proceed with the disposition.

As the CHA starts the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials. If you have to modify your plans, the HUD Boston HUB stands ready to assist you.

Sincerely,

Tamara S. Gray

Director

Cc: Boston HUB

Exhibit - B

Item	HUD-adjusted Cost	PUC	TDC	%Rehab/TDC	SAC allowed % of CHA Estimated Rehab Cost
Roofing	\$489,820.00	1627			
Concrete Restoration	\$837,214.00	2781			
Window Replacement	\$2,334,068.00	7754			50%
Exterior cladding	\$3,393,722-50	11275			50%
Interior demo	\$2,525,722.00	8391			
Interior refurbishment	\$4,979,112.00	16542			
Flooring	\$1,265,282.00	4204			
Kitchen Cabinets	\$842,800.00	2800			*\$350/lf allowed
Appliances	\$456,185.00	1516			
Bathroom fixtures	\$,204,000.00	4000			
Bathroom Hardware	\$ 903,000.00	3000	·		
Plumbing	\$1,632.301.50	5423			50%
Electrical	\$1,946,680.00	6467			50%
Fire Protection	\$701,839.50	2332			50%
HVAC	\$3,576,506.00	11882			50%
Trash Compactor	\$225,000.00	748			
Common Area improvements	\$250,000.00	831	· · · · · · · · · · · · · · · · · · ·		
First floor lobby Improvements	\$180,000.00	598			
Laundry/Library improvements	\$33,600.00	112			
Community room improvements	\$ 487,980.00	1621			
Corridors Improvements	\$ 450,000.00	1495			
Additional Fixtures	\$275,000.00	914			
Sub Total	\$28,989,832.50				
Contingency 5%	\$1,449,491.63				
A&E 5%	\$1,449,491.63				
Sub Total	\$31,888,815.75	<u> </u>			
Admin 2%	\$637,776.32		•		
Total	\$32,526,592.07		\$51,088,942.00	63.67%	

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



OFFICE OF PUBLIC AND INDIAN HOUSING

Special Applications Center 77 W. Jackson Blvd., Room 2401 Chicago, Illinois 60604-3507

Phone: (312) 353-6236 Fax: (312) 886-6413

January 21, 2016

Mr. Gregory Russ **Executive Director** Cambridge Housing Authority 362 Green Street 3rd floor Cambridge, MA 02139-3309

Dear Mr. Russ

The U.S. Department of Housing and Urban Development's (Department) Special Applications Center (SAC) received the Cambridge Housing Authority's (CHA) request for an amendment to Public and Indian Housing Information Center (PIC) application DDA0005681.

Approval History

On January 28, 2015, the Department approved the disposition of 1.65 acres of land improved with 1 dwelling building containing 297 dwelling units, 2 merged units and 5 nondwelling units at Washington Elms (Millers River), MA003000301. The SAC restates the approval in the table below:

Millers River, MA003000301 Approved for Disposition: Building: 1; Units: 302 (297 dwelling, 5 non-dwelling); Acres: 1,65					
Total Units to be Redeveloped: 302	Less than 8	0% of Area Med	ian Income		
	ACC	Non-ACC	PBV	Market Rate	
Leasehold	0	0	302	. 0	
Acquiring Entity	credit investo	r member and 0.	01 percent by a	9 percent by a tax managing member Authority (CHA)	
Disposition Method	Improvements: Negotiated Sale at Less Than Fair Market Value Land: Ground Lease				
Terms	Seller Financing of Improvements estimated at \$22,834 Lease Term of 99 Years at \$73,000 per Year Each Transaction updated by appraisal prior to disposi			per Year	
Purpose		vouchers, low-in		ne housing using tax credits and debt	

Current Request and Approval

The CHA requests a modification of the disposition method using a two-stage disposition process. The CHA will initially convey to an interim holding entity related to the CHA and, subsequently, the interim entity will convey to the currently approved entity. The first stage transfers the project to Millers River Holding LLC (MRH), owned 99.99 percent by Cambridge

www.hud.gov/offices/pih/centers/sac/

Affordable Housing Corporation, a non-profit entity related to CHA, and 0.01 percent by a managing member company related to the CHA. The second and final stage would occur at the financial closing in early 2018, when the ownership would be transferred from the MRH to the originally-identified ownership entity, Millers River LLC (MRLLC). The CHA requests the modification in order to preserve the acquisition credits. CHA would enter into a 30-year project-based voucher (PBV) Housing Assistance Payments (HAP) contract with the MRH, transferrable to MRLLC at their financial closing. Any proceeds that result will be received by the CHA. The CHA will follow the HUD regulation's terms at 24 CFR 983.205, which allow for a HAP contract with an initial 15-year term and an up-front initial 15-year extension (total of 30 years), based on a determination that the extension is appropriate to continue providing affordable housing for low-income families. The CHA provided a revised timetable and the CHA's Board of Commissioners approved the submission of the amendment on December 21, 2015.

The Department, based on the information forwarded and concurrence from the HUD Boston Office of Public Housing (OPH), approves the inclusion of an interim acquiring entity and modification of the conveyance schedule, as indicated in the table and subject to the conditions noted below.

Millers River, MA003000301 Approved for Disposition: Building: 1; Units: 302 (297 dwelling, 5 non-dwelling); Acres: 1.65					
Total Units to be Redeveloped: 302	Less than 8	0% of Area Med	ian Income		
	ACC	Non-ACC	PBV	Market Rate	
Leasehold	0	0	302	0	
Initial Acquiring Entity	Cambridge profit instrut	Affordable Hous	ing Corporation and 0.01 percent	ed 99.99 percent by on (CAHC) a non- cent by a managing cCHA	
Final Acquiring Entity	credit investo	r member and 0.	01 percent by a	9 percent by a tax a managing member 3 Authority (CHA)	
Disposition Method	Improvement		le at Less Than round Lease	Fair Market Value	
Terms	Lea	se Term of 99 Yellions transferra	ears at \$73,000	actions updated by	
Purpose		vouchers, low-in		ne housing using tax credits and debt	

Revised Timetable

	Milestone	Number of Days after Approval
Α	Begin relocation of residents	. 380
В	Complete relocation of residents	470
С	Execution of contract for removal (e.g. sales contract)	470
D	Actual Removal Action (e.g., sale closing)	470

Conditions

- If transfer the MRLLC doesn't occur in 2018, the property needs to be transferred back to the CHA and put under a DOT (or be subject to § 200). If the second transfer doesn't occur, the units would still be under HAP;
- The residents must be offered the opportunity to move with tenant-based vouchers now and that the CHA can't complete the initial disposition until all residents who opt for this find housing and are relocated or offered the opportunity to move with tenant-based assistance later too, if consistent with PBV/MTW rules; and
- The rental payments (above costs) under the PBV HAP of the existing units, prior to the second transfer will be considered as additional disposition proceeds that will be used to support the renovation needs of Millers River.

All other conditions of the original approval dated January 28, 2015, that were not specifically addressed in this letter remain as stipulated in those documents. Notwithstanding this, in the event that there are any inconsistencies or ambiguities between this letter and the Department's previous approval, this letter shall control. The SAC updated the timetable in the IMS/PIC application DDA0005681 to reflect the amendment. A copy of this modification will be forwarded to the HUD Boston OPH for their records. If you have any questions regarding this modification, please contact SACTA@hud.gov.

Sincerely,

Tamara S. Gray

Director

Cc: Boston OPH



EVIDENCE OF NEED FOR AFFORDABLE HOUSING

The need for affordable housing in the city of Cambridge is self-evident and appears to be nearly universally desired among the citizenry of Cambridge. Increasing access to the affordable housing for all income groups has been adopted as the number 1 goal of the current City Council term and the number 2 goal of ensuring "Cambridge offers economic and educational opportunity to all," is closely correlated with the goal of providing deeply affordable housing to Cambridge citizens. The most recent 2016 resident opinion survey in Cambridge also identified affordable housing as the most important issue facing Cambridge today with some 30% of residents identifying it as the most important issue facing the city; far outpacing the other issues identified such as education (14 percent), traffic (5 percent), overdevelopment (4 percent), climate change (3 percent), property taxes (3 percent), and other issues. The survey also indicated some 78 percent of residents rated access to affordable housing as only fair or poor.

The desire for affordable housing in Cambridge becomes clear when the current housing costs in the Cambridge market are examined. The 2016 Cambridge Housing Profile published by the Community Development Department indicated that the median sale price for single family homes in 2015 was \$1.15 million and condos was \$612,000. The median monthly rent was also listed at over \$3,100 which would only be considered affordable to families earning over \$100,000 a year using the standard 30% housing affordability metric. Since 2015, housing costs have only increased with a recent assessment by Zillow.com indicating home values have increased approximately 10 percent per year in the last two years.

The inflationary pressures of the housing market combined with the high construction and land acquisition costs in the Greater Boston area lead to the inescapable conclusion that affordable housing production or preservation will only be accomplished in Cambridge where it is subsidized or mandated through regulatory policy making. Affordable housing developers in Cambridge such as the Cambridge Housing Authority, Just-a-Start, HRI, and others are among the only affordable housing providers remaining in the City of Cambridge and their production of new units is based upon their ability to navigate the complex regulatory and financial terrain of building housing in Cambridge.

Data from the CHA's own wait list also provides compelling need for affordable housing. There are approximately 14,000 distinct applicants on our wait list for CHA's 2,900 apartments. The CHA provides over half of the housing designed specifically for elders in Cambridge as well.

MILLERS RIVE	R HOLDING LLC DE	VELOPMENT ACCOUNT	0000001042
Invoice Date	Invoice Number	Description	Amount
6/10/2018	061018	FILING FEE FRO COMP PERMIT APPLICATION-MILLERS	\$100.00

	TRUE WATERMARK PAPER "HOLD TO LIGHT TO VIEW. HEAT SENSITIVE PINK IMAGE	DISAPPEARS WITH HEAT PAPER CONTAINS VISIBLE FIBERS	
	MILLERS RIVER HOLDING LLC DEVELOPMENT ACCOUNT 362 GREEN STREET CAMBRIDGE, MA 02139	BANK OF AMERICA 5-13-110	0000001042
		DATE	AMOUNT
1,		06/11/2018	\$100.00
PAY	One Hundred and 00/100		
TO THE- ORDER OF	City Of Cambridge Cambridge, MA 02139	TWO SIGNATURES REQUIRED VOID AFTER 1	

"OO 1042" CO11000138: 4640485586"

City Of Cambridge

Payee

\$100.00

Total Amount



Section 3 Existing Site Conditions

Report on Existing Conditions
Assessor's Plat
Zoning Map
ALTA/NSPS Land Title Survey
Photographs



REPORT ON EXISTING CONDITIONS

Building History, Construction Type, and Challenges

The Millers River Apartment building was built as part of an affordable housing development initiative sponsored by the Massachusetts Institute of Technology (MIT) in Cambridge, MA. The building was designed by Benjamin Thompson Associates, and built from 1971 to 1974 in East Cambridge. While under design and construction, the building was referred to as the "Gore Street" development but later became known as Millers River Apartments. Upon its completion, MIT transferred ownership of the property to the Cambridge Housing Authority, which has managed the development since then. There were two other buildings constructed as part of the MIT development initiative, also designed by Thompson. These are the Lyndon Baines Johnson (LBJ) Apartments at 150 Erie Street in Cambridgeport, and Daniel F. Burns (DFB) Apartments at 50 Churchill Avenue in North Cambridge.

Millers River Apartments is a high-rise building consisting of a 16 story south tower, an attached 19 story north tower, with a one story community building and maintenance building connected to the south tower by a one story enclosed connecting corridor. The building was designed and constructed between 1971 and 1974 and its construction and the materials used are typical of that era including extensive amounts of Asbestos Containing materials in materials on the walls, floors, and ceilings. Millers River currently contains 297 living units. Although the original design provided 304 living units, several units were repurposed for necessary management and service provider functions due to extremely limited service and program space available in the tower. Currently, two units on the 2nd floor are designated "barrier free" and the 6th floor, containing 16 studio units, has been converted to function as "supportive" housing for those tenants who can still live in their units but need some additional 24/7 support from staff managed by the Cambridge Health Alliance.

The high-rise building has a full basement, and two floors of mechanical and elevator space above the 19th floor. The building is built with a cast-in-place reinforced concrete foundation, basement, and first floor slab. All of the upper floors are constructed with precast post-tensioned reinforced concrete panels and precast post tensioned hollow core concrete plank floors. The precast walls and floors essentially create cubes of space approximately 8 feet high by 20 feet wide by 20 feet deep with some units having a greater depth due to building cantilevers or unit orientation. The exterior face of each cube is enclosed by a hybrid system of storefront, metal framing, windows, and a sliding glass door. The exterior has a cement based stucco finish while the interior is finished with painted gypsum drywall. The units themselves are among the smallest in the CHA portfolio with a typical studio unit of only 388 square feet of living area.

In addition to the very small unit sizes, there were several design decisions that have challenged the operations and livability of the building in recent decades. The building's precast wall and floor construction present a significant thermal bridging effect between the conditioned interior spaces and the exterior. The degradation of the exterior window/storefront wall system has resulted in high rates of air and water infiltration/exfiltration. This causes the building to have a significant "stack" effect; where warm air is able to move up and out of the building similar to a chimney resulting in even greater rates of air infiltration. Millers River is among the least energy efficient buildings in the CHA portfolio due to the building envelope although it was converted to relatively high efficiency gas fired boilers in 2005. The window system, limited storage space, and inherent danger of installing or removing A/C units in this high rise building also results in numerous unsightly, inefficient, and leaking window A/C units being left in resident apartment windows year



round. The balconies designed for the units in the building are also perhaps the major source of air and water infiltration into the building and also serve as significant health hazard due to their use as a pigeon roost and locus for bird droppings. The residents also report the balconies are generally underutilized as living space and are instead used as an outdoor storage area. Finally, the limited floor area available for programming and services in the tower building has resulted in multiple units being removed from the affordable housing portfolio and repurposed as service spaces.

Site Context and Proximity to Services

Millers River Apartments is bounded by the Cambridge Street to the South, Lambert Street to the East, Gore Street and Somerville to the North, and the Grand Junction Railroad tracks to the West. It is surround by low-rise residential and commercial in the neighborhood although Millbrook Lofts tower is directly to the North.

From the South, it is interesting to note that from the sidewalk on Cambridge Street the mass of the apartment building beyond is practically indiscernible. The one story space of the community building opens onto a small concrete paved courtyard that aligns with Cambridge Street. The entries are approximately 18" above street grade. This grade is negotiated by a set of stairs and a ramp system, all done in concrete with metal pipe rails. This access to Cambridge Street through the community center is a primary access for residents to transit options that are available including a bus stop directly in front of the building and that this site has a very highly rated walkability and transit index.







From the North, the site primarily serves as an access into the parking lot for the building. Pedestrian access from Medford/Gore Street into the site can be challenging since there is no direct pedestrian sidewalk to the entry. As a result, people walk through the parking lot. The pedestrian paths that were added between the parking bays make sense, but are not visually appealing, and do not meet accessibility codes.

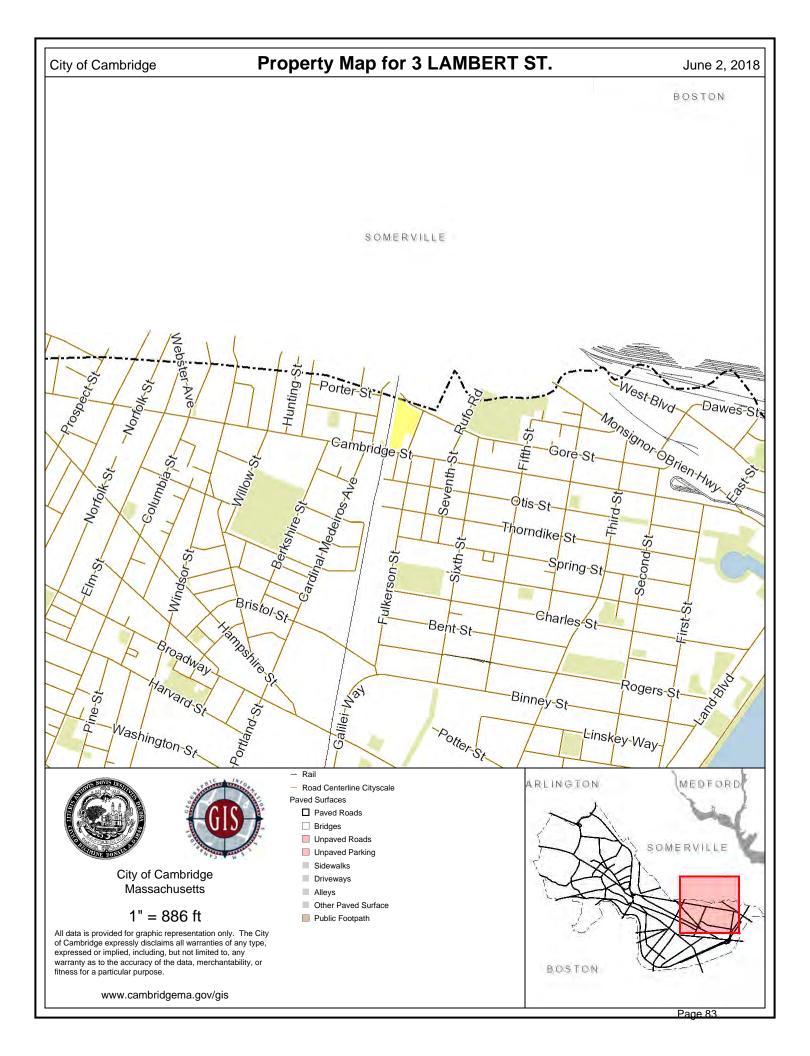


On the East side of the building, Lambert Street serves as the building address and front door to the building for the some 80% of the households who do not own a vehicle. However, there is no loading zone or parking available at the front entrance and so many service vehicles illegally park while making deliveries to the building. Furthermore, the entrance walk is defined by concrete curbs that delineate a series of benches on one side and another bench on the other. This pattern is visually reinforced with plantings of closely spaced Linden trees. The tree and bench pattern on the ground plane, create a restrictive feeling, when approaching the entry. This is more evident when people are sitting in the benches and their feet protrude into the walking space of the sidewalk. There is also a shared service and staff parking lot with approximately 12 spaces that also serves as an area where trash and other materials are stored along with an emergency generator which is screened by a wooden fence.



On the West side of the building, the railroad tracks are currently used only intermittently for rail traffic but it is anticipated a community path will be constructed on and around the right-of-way adjacent to the Millers River lot. The photo below illustrates the underutilized portion of the right-of-way adjacent to Millers River.





6/2/2018 Print

Property ID 35-100

PID 2048

Address 3 LAMBERT ST Land Use SCIENTIFIC

Land Area 1.65 acres / 71795 sq

Ħ

Living Area 173634 sq ft

Property Card

Recent Comparable

Sales

Parcel Block Map

(PDF)

Owner Information

Name CAMBRIDGE

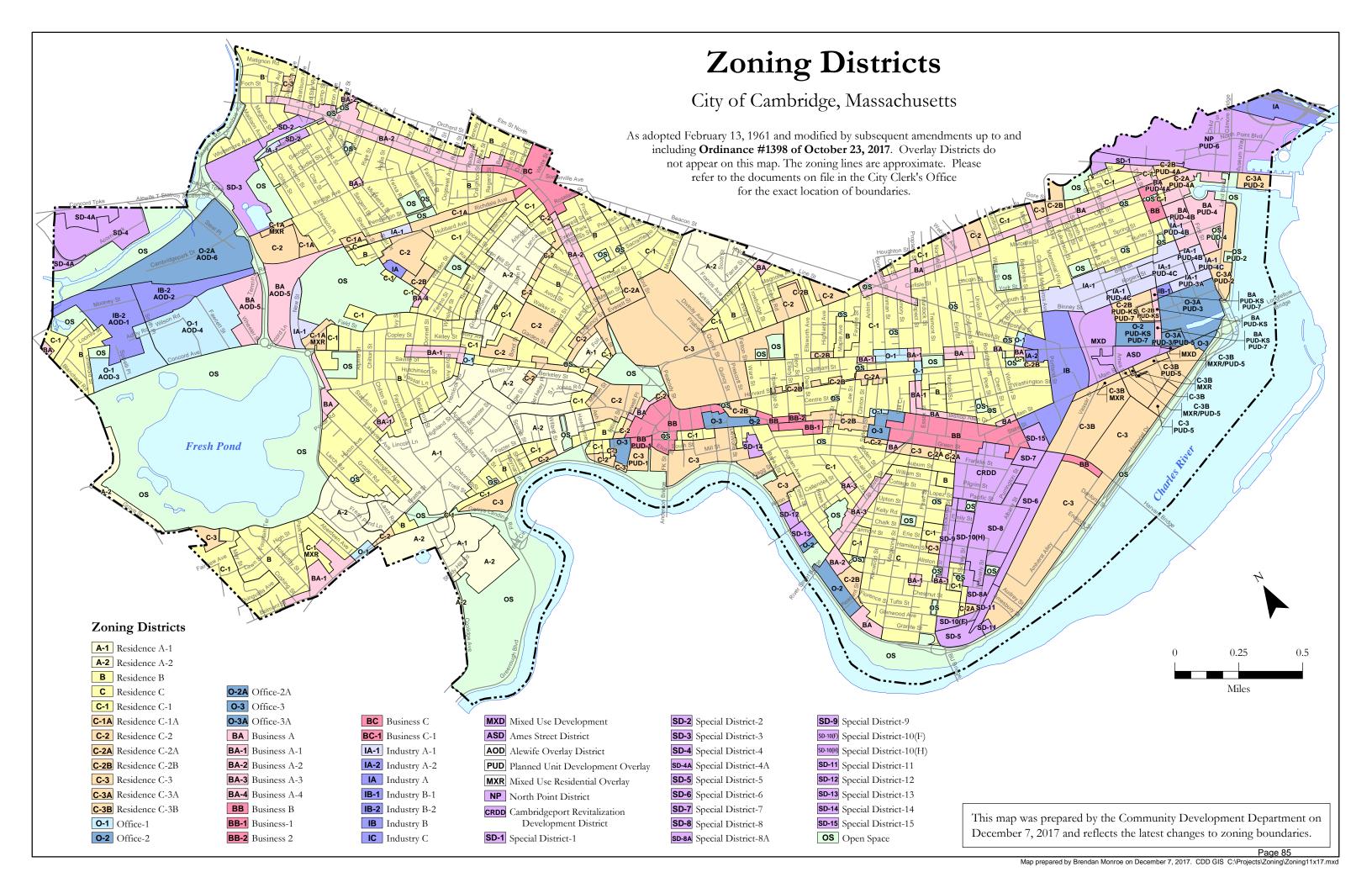
HOUSING AUTHORITY

Address 362 GREEN STREET

City CAMBRIDGE

State MA Zip Code 02139





District	Max. FAR	Min. Lot Area/DU	Min. Setback Front Yard	Min. Setback Side Yard	Min. Setback Rear Yard	Max. Height	Min. OS Ratio	General range of allowed uses	
A-1	0.50	6,000	25	15 sum to 35	25	35	50%	single-family detached dwellings	
A-2	0.50	4,500	20	10 sum to 25	25	35	50%	single-ranning detached dwellings	
В	0.50	2,500	15	7.5 sum to 20	25	35	40%	single- and two-family detached dwellings townhouse dwellings (by special permit)	
С	0.60	1,800	(H+L) ÷ 4 at least 10	(H+L) ÷ 5 ≥7.5, sum ≥20	(H+L) ÷ 4 at least 20	35	36%	single- and two-family detached dwellings townhouse dwellings	
C-1	0.75	1,500	(H+L) ÷ 4 at least 10	(H+L) ÷ 5 at least 7.5	(H+L) ÷ 4 at least 20	35	30%	multifamily dwellings (apartments, condos) limited institutional uses	
C-1A	1.25	1,000	10	(H+L) ÷ 7	(H+L) ÷ 5	45	15%		
C-2	1.75	600	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	85	15%		
C-2A	2.50	300	(H+L) ÷ 5 at least 5	(H+L) ÷ 6	(H+L) ÷ 5 at least 20	60	10%	single- and two-family detached dwellings	
C-2B	1.75	600	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	45	15%	townhouse dwellings multifamily dwellings (apartments, condos)	
C-3	3.00	300	(H+L) ÷ 5 at least 5	(H+L) ÷ 6	(H+L) ÷ 5 at least 20	120	10%	some institutional uses	
C-3A	3.00	300	(H+L) ÷ 5 at least 5	(H+L) ÷ 6	(H+L) ÷ 5 at least 20	120	10%		
C-3B	3.00/4.00	300	10	no min	no min	120	10%		
0-1	0.75	1,200	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	35	15%		
0-2	1.50/2.00	600	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	70/85	15%	most types of residential dwellings	
O-2A	1.25/1.50	600	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	60/70	15%	most institutional uses	
0-3	2.00/3.00	300	(H+L) ÷ 5 at least 5	(H+L) ÷ 6	(H+L) ÷ 5 at least 20	90/120	10%	offices and laboratories	
O-3A	2.00/3.00	300	(H+L) ÷ 5 at least 5	(H+L) ÷ 6	(H+L) ÷ 5 at least 20	90/120	10%		
ВА	1.00/1.75	600	no min	no min	(H+L) ÷ 5 at least 20	35/45	no min		
BA-1	1.00/0.75	1,200	no min	no min	(H+L) ÷ 5 at least 20	35	no min		
BA-2	1.00/1.75	600	5	10	20	45	no min		
BA-3	0.75	1,500	(H+L) ÷ 4 at least 10	(H+L) ÷ 5	(H+L) ÷ 4 at least 20	35	30%		
BA-4	1.00/1.75 2.00 w/limitations	600	(H+L) ÷ 4 10' w/limitations	(H+L) ÷ 5 10' w/limitations	(H+L) ÷ 5 10' w/limitations	35 or 44 w/limitation	no min	most types of residential dwellings most institutional uses	
ВВ	2.75/3.00	300	no min	no min	no min	80	no min	offices and laboratories most retail uses	
BB-1	1.50/3.25	300	no min	no min	no min	55/90	15%		
BB-2	1.50/3.00	300	no min	no min	no min	45	15%		
ВС	1.25/2.00	500	no min	no min	20	55	no min		
BC-1	2.75/3.00	450	no min	no min	20	50	no min		
IA-1	1.25/1.50	700	no min	no min	no min	45	no min		
IA-2	2.75/4.00	no min	no min	no min	no min	70	no min		
IA	1.25/1.50	no min	no min	no min	no min	45	no min	most types of residential dwellings most institutional uses	
IB-1	1.50/3.00	no min	no min	no min	no min	60/70	no min	offices and laboratories some retail uses	
IB-2	0.75	1,200	15	no min	no min	35	15%	most light industrial uses some heavy industrial uses	
IB	2.75/4.00	no min	no min	no min	no min	120	no min	Some neary maddenar ases	
IC	1.00	no min	no min	no min	no min	45	no min		
OS	0.25	N/A	25	15	25	35	60%	open space, religious, or civic uses	

Notes on Zoning Regulations Table

Max. FAR = maximum allowed ratio of gross floor area on a parcel divided by the total land area of the parcel ("floor area ratio"). Where a slash (/) separates two figures, the first applies to non-residential and the second to residential & dormitory uses.

Min. Lot Area/DU = minimum allowed ratio of a parcel's lot area, expressed in feet, divided by the number of dwelling units on that parcel.

Min. Setback = minimum required distance between a parcel's lot line (front, side, or rear) and the wall of a building, in feet. The symbol (H+L) in a formula represents the height of the building plus the length of the building parallel to that lot line.

Max. Height = maximum allowed building height on a parcel, in feet. A slash (/) has the same meaning as under Max. FAR (see above).

Min. OS Ratio = minimum required ratio of usable open space on a parcel (not including parking) to total land area, expressed as a percentage.

General range of allowed uses gives an overview of the types of uses permitted by zoning in that district, but does not refer to specific allowed uses. *See Article 4 of the Zoning Ordinance for the detailed Table of Use Regulations.*

City of Cambridge Zoning Reference Sheet

CAUTIONARY NOTE. This sheet is intended to serve as a quick reference to dimensional standards and use regulations defined in the Cambridge Zoning Ordinance. This sheet does not serve as a substitute for the Cambridge Zoning Ordinance, and the City of Cambridge does not guarantee that this sheet is fully consistent with the Zoning Ordinance. The print version of the Zoning Ordinance, together with any amendments adopted by the City Council subsequent to the most recent update to the print version, remains the official version of the Ordinance. If any discrepancies exist between the print version of the Zoning Ordinance and this sheet, then the print version of the Ordinance, together with any City Council amendments, shall be considered correct.

The full Zoning Ordinance is available online at www.cambridgema.gov/CDD/zoninganddevelopment/Zoning

Planned Unit Development (PUD) Districts

PUD overlay districts provide flexible zoning standards for multi-site phased development with a variety of land uses and densities. A developer may choose to conform to PUD controls in lieu of the base district requirements, but must receive a special permit from the Planning Board. See

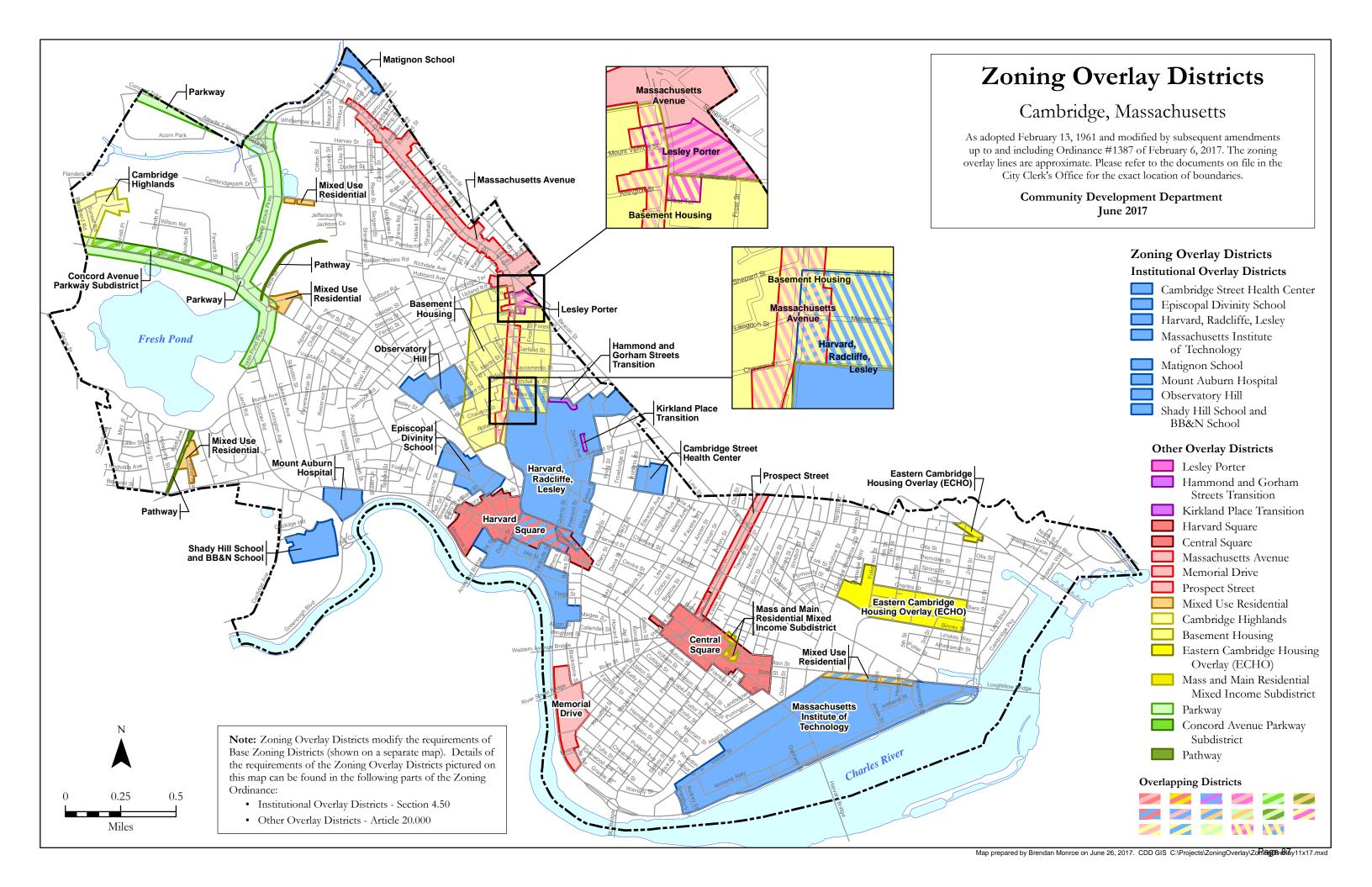
controls in lieu of the base district requirements, but must receive a special permit from the Planning Board. See Articles 12 and 13 of the Zoning Ordinance.			
PUD-KS	Kendall Square. Mixed use with office, residential, retail, and a required public park. Max FAR 3.0 with restrictions. Max heights 65'-250', with limitations adjacent to public open space.		
PUD-1	Charles Square near Harvard. Medium density mixed use with commercial, office and residential. Max FAR 3.0. Max height 60' with conditional increases to 110'.		
PUD-2	East Cambridge Riverfront. Office, retail and residential. Max FAR 3.0, or 4.0 for residential uses. Max height 120'.		
PUD-3 PUD-3A	Kendall Square, near riverfront. Mixed use with office, retail and residential. Max FAR 2.0-3.0. Max height 120'-230', with conditions and allowances.		
PUD-4 PUD-4A PUD-4B PUD-4C	East Cambridge along First and Binney Streets. Mix of retail, office, and residential. Max FAR 2.0-3.0 and max height 65'-85', with conditions and allowances.		
PUD-5	MIT at Kendall Square. Office and institutional development with required housing and ground floor retail. Total FAR 3.9. Heights allowed to 250' for non-residential and 300' for residential uses.		
PUD-6	North Point. Residential with retail and office uses, community services, and public open space. Max FAR 3.0, incentives to encourage housing and development near transit. Max heights 85'-250', some areas limited to 65'.		
PUD-7	Kendall Square, "Volpe Center Parcel." Mix of commercial office/lab and residential with required open space, ground-floor active uses, and community space. Up to 3.25 million square feet of floor area. Max heights 250'-350', one building up to 500'.		
Alewife Overlay Districts (AOD-1,2,3,4,5,6)			

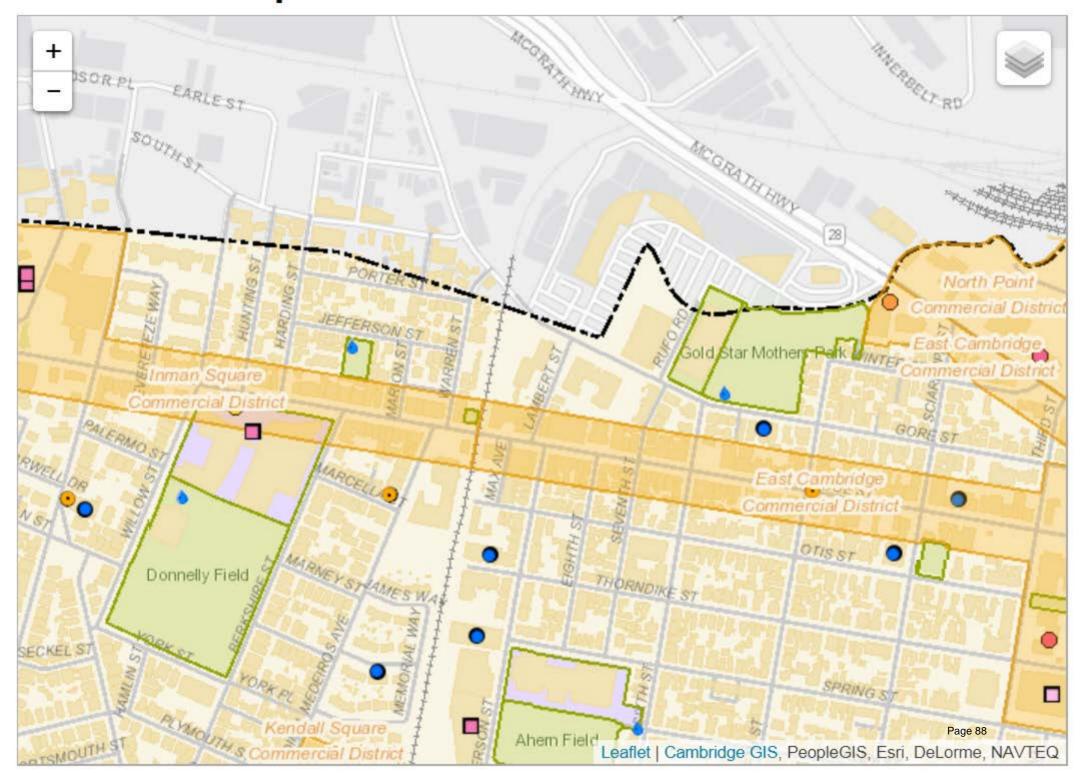
Alewife Overlay Districts (AOD-1,2,3,4,5,6)

These overlays modify the dimensional provisions of the base districts, generally allowing greater height and FAR by special permit from the Planning Board, but also imposing additional requirements for open space, permeability, setbacks, etc. For delayes 86 Section 20.90 of the Zoning Ordinance.

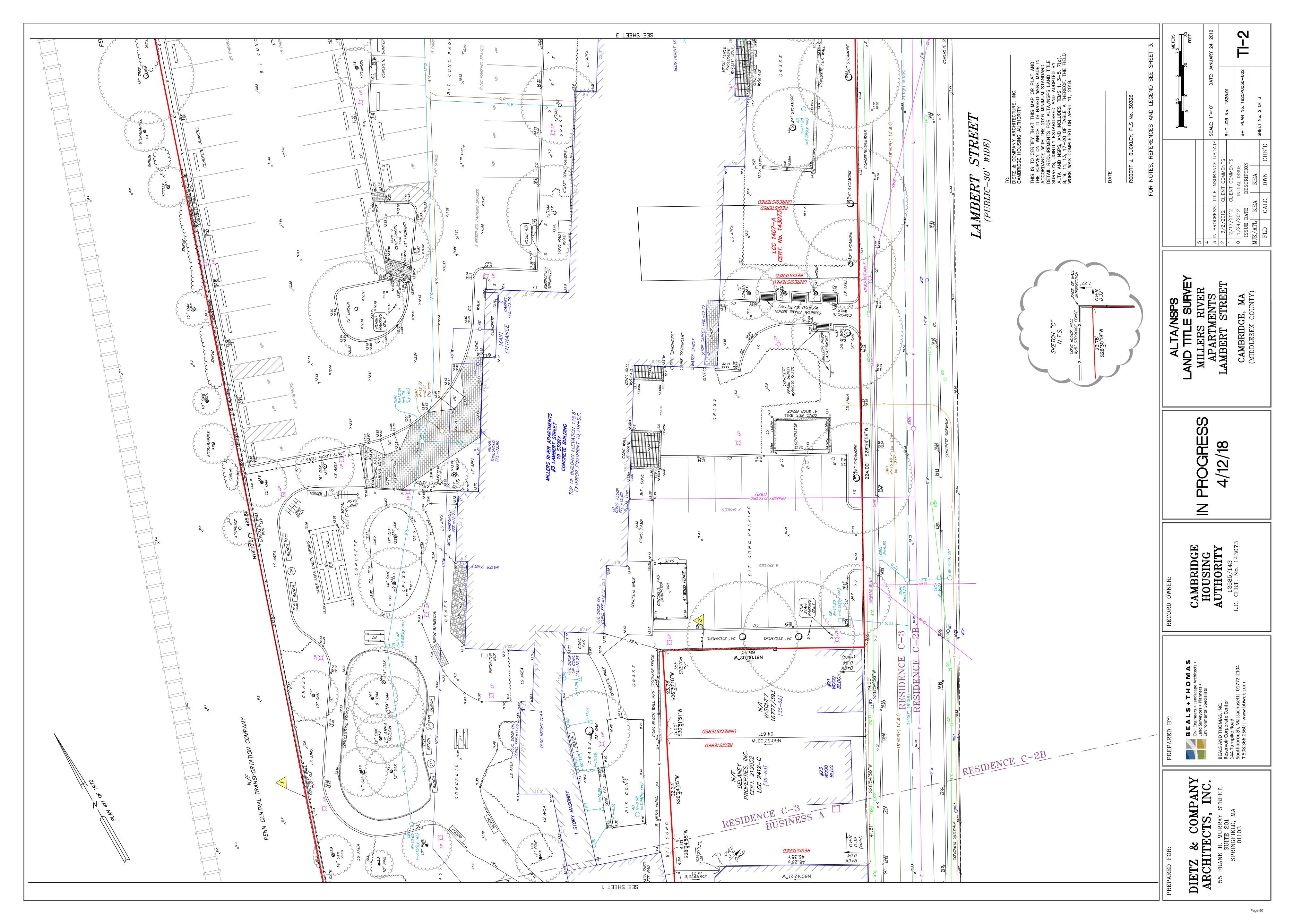
Special District	Brief Description and Overview of District Regulations (except where otherwise noted, detailed regulations are in Article 17 of the Zoning Ordinance)
MXD (incl. ASD)	Mixed Use Development District: Cambridge Center. Allows a mix of light industry, office, biotechnology manufacturing, retail, residential, hotel, entertainment, and institutional uses. Entire district has a limit on aggregate gross floor area and a minimum open space requirement. Includes "Ames Street District" (ASD). See Article 14 of the Zoning Ordinance.
CRDD	Cambridgeport Revitalization Development District. Allows a mix of light industry, office, retail, residential, hotel, and entertainment uses. Aggregate gross floor area of the entire district limited to 1,900,000 square feet of non-residential and 400,000 square feet (or 400 units) of residential. Limits on FAR and building heights vary. At least 100,000 square feet reserved for open space. See Article 15 of the Zoning Ordinance.
NP	North Point Residence, Office and Business District. Allows certain residential, office, laboratory, retail, and institutional uses. Maximum FAR 1.0, height 40 feet. See Article 16 of the Zoning Ordinance. Greater development density allowed through PUD-6 regulations: See Article 13 of the Zoning Ordinance.
SD-1	Along Monsignor O'Brien Highway in East Cambridge. Regulations similar to Industry A-1 with exceptions.
SD-2	Along Linear Park in North Cambridge. Regulations similar to Residence B with exceptions. Conversion to housing is encouraged.
SD-3	Near Alewife Station. Allows residential, office, institutional, and limited retail uses. Aggregate gross floor area of the entire district limited to 782,500 square feet not including MBTA facilities or existing residential buildings.
SD-4 SD-4A	Along Acorn Park in North Cambridge. Regulations similar to Office 2 with exceptions. Preservation of open space is encouraged.
SD-5	Along Memorial Drive in southern Cambridgeport. Regulations similar to Office 2 with exceptions.
SD-6	Along railroad tracks between Cambridgeport and MIT Campus Area. Regulations similar to Residence C-3 with exceptions.
SD-7	Along Massachusetts Avenue in Cambridgeport. Regulations similar to Business B (as modified by Central Square Overlay District) with exceptions.
SD-8	Between Albany and Sidney Streets in Cambridgeport. Regulations similar to Industry A-1 with exceptions.
SD-8A	Around Fort Washington Park in Cambridgeport. Regulations similar to Residence C-1A with exceptions. Conversion to housing is encouraged.
SD-9	Along Brookline Street in Cambridgeport. Regulations similar to Residence C with exceptions. Conversion to housing is encouraged.
SD-10(F) SD-10(H)	Two locations in southern Cambridgeport near Henry Street, Brookline Street, Sidney Street. Regulations similar to Residence C with exceptions. Conversion to housing is encouraged.
SD-11	Along railroad tracks and Memorial Drive in southeastern Cambridgeport / MIT Campus Area. Regulations similar to Office 2 with exceptions.
SD-12	Along Memorial Drive in Riverside. Regulations similar to Residence C-2B with exceptions. Creation of open space is encouraged.
SD-13	Along Memorial Drive in Riverside. Regulations similar to Residence C-2 with exceptions.
SD-14	Near Grant and Cowperthwaite Streets in Riverside. Regulations similar to Residence C-1 with exceptions. Preservation of neighborhood character is encouraged.
SD-15	At Massachusetts Ave and Albany Street. Regulations similar to Industry B with allowances for

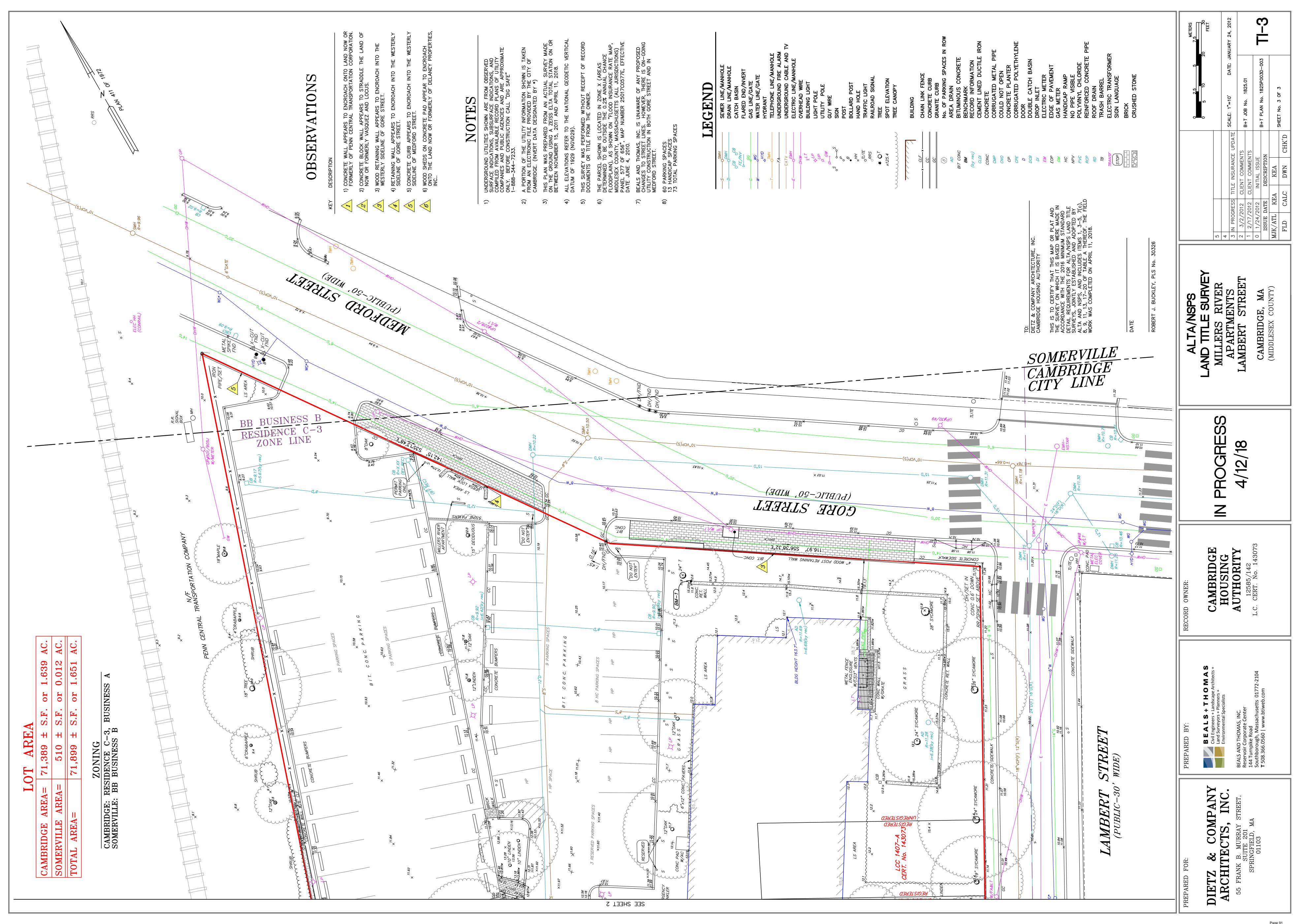
additional FAR and height.













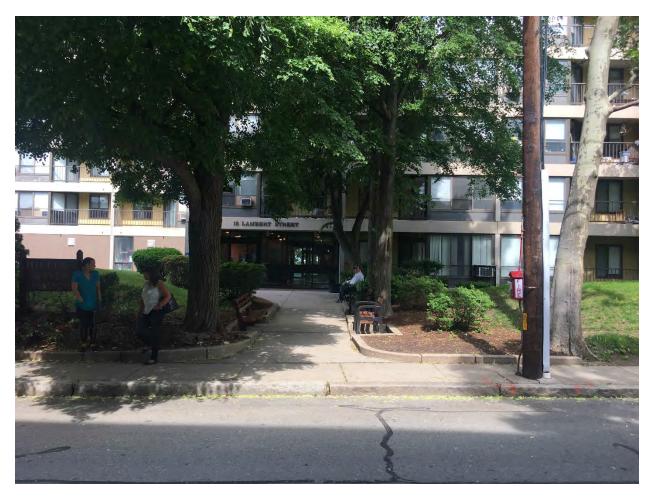
Millers River viewed from South 1 Cambridge Street in Foreground, Old Community Center and Tower in Background



Millers River viewed from South 2 View from South East- Cambridge and Lambert Street in Foreground, Tower in Background



Millers River viewed from South 3 Cambridge Street in Foreground, Community Center and Tower in Background, Railroad tracks to West



Millers River Viewed from Lambert Street 1



Millers River viewed from Gore Street 1



Millers River viewed from Gore Street 2



View Along railroad tracks along West 1



Exterior Condition 1 View along South face



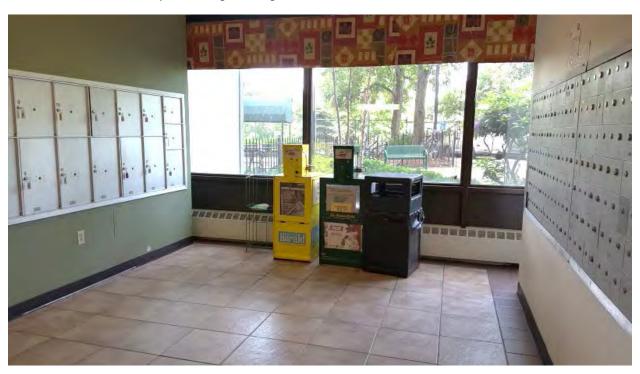
Exterior Condition 2 Lower Unit and Balconies



Exterior Condition 3 Upper Units and Balconies



Interior Conditions 1 Community Room along Cambridge Street



Interior Conditions 2 First Floor Mail Room



Interior Conditions 3 First Floor Common Area Circulation



Interior Conditions 4 Typical Unit Kitchen



Interior Conditions 5 Typical Unit Bathroom



Interior Conditions 6 Typical View from interior of a unit



Interior Conditions 7 Typical HP Apartment Entry Door with Opener