



# **TOWN OF LENOX**

## **COMMUNITY PRESERVATION COMMITTEE**

### **APPLICATION FOR CPA FUNDING**

This year, the Community Preservation Committee is conducting a one-step application process. **To apply for CPA funding in the Town of Lenox, an applicant must submit a complete application request no later than October 23d at 4 p.m.** Interested applicants are encouraged to discuss project ideas with the Town Planner and/or CPC Chairperson to confirm they are eligible projects under the Community Preservation Act

**An electronic application must be submitted no later than 4 p.m. on October 23rd 2023 to [gmler@townoflenox.com](mailto:gmler@townoflenox.com). It is your responsibility to ensure the application is formatted and sized for e-mail transmittal. Two (2) paper copies have the same due-date and time. Late or incomplete applications will be rejected.**

All applications must be typed. Handwritten applications will not be accepted. Please limit application material to documents and information specifically relevant to the funding request. **Do not include marketing or promotional materials.**

The CPC reserves the right to refuse to consider applications that are incomplete and/or to request additional information of any applicant. All applicants should be aware that awards are subject to all Town of Lenox policies and procedures. All funded projects are also subject to all liens, deed restrictions and other means of security necessary to preserve and secure public benefit.

All encumbrances must be completed in the fiscal year of the project, though extensions may be granted by the CPC upon request.

Prior to submitting an application, applicants should familiarize themselves with the Lenox CPA Bylaw (Chapter 23), the Community Preservation Master Plan (available on

the CPC page at [www.townoflenox.com](http://www.townoflenox.com)). Additional information is available on the Community Preservation Coalition website at [www.communitypreservation.org](http://www.communitypreservation.org).

## **REVIEW AND APPROVAL PROCESS**

The CPC will review all applications and make all decisions during open public meetings. Applicants will be informed of the meetings and are required to attend. For each application step, applicants should be prepared to clearly state their project goals, timeline, funding request, additional funding sources, and how the project fits in with other community goals as defined in existing planning documents such as the 2015 Open Space and Recreation Plan and the 2021 Master Plan<sup>1</sup>.

### **All applications will be reviewed for:**

1. Compatibility with CPA legislation and local CPC plans
2. Completeness of information
3. Impact of project to local community
4. Whether the CPA funds serve as a catalyst for leveraging other funding sources,
5. The breadth of impact on the lives of the citizens of the town,
6. The economic benefit to the town,
7. The long-term benefits to the town,
8. The long-term costs to the town if action is not taken,
9. Urgency of the project, and
10. Any other factors that may be relevant to a specific project.

After review, the Committee will recommend projects to Town Meeting for funding. Applicants, the Board of Selectmen and the Finance Committee will be notified of the decisions no later than March 8, 2024. The final decision to fund or not fund a project recommended by the Committee is in the hands of town voters at the May 2024 Town Meeting.

Non-municipal project applicants whose projects are funded by Town Meeting will be expected to enter into a contract with the Town of Lenox that will govern the project scope, timeline, deliverables, payment amount and timing, insurance, and other special conditions as may be required. The Committee may withhold some or all funds until applicable permits and approvals are in place. The Committee may also require performance or completion bonds and may withhold funds for nonperformance.

In special cases, the CPC may vote to accept applications requiring consideration outside of the normal funding cycle. Potential applicants who believe their specific

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<sup>1</sup> Available from the Town Planner's office.

circumstance call for this action may contact the Town Planner and CPC Chair to discuss the potential submission of an off-cycle application.

# TOWN OF LENOX

## COMMUNITY PRESERVATION COMMITTEE

### APPLICATION FOR CPA FUNDING

Date Received (office use only) \_\_\_\_\_

Applicant Name: Brushwood Farm Housing, LLC (c/o Pennrose LLC)

Project Name: Brushwood Farm Housing

Project Address: 36 Pittsfield Rd, Lenox MA 01240

Contact Person: Title: Rebecca Schofield, Developer

Phone No.: 617-955-6712 E-Mail: rschofield@pennrose.com

Brief Project Description (Attach up to 1 additional page if necessary)

*Please see attached Project Description.*

Amount of CPA funding to be requested: \$500,000

The property is current with all payments to the town (taxes, water/sewer bills, etc.): Y

Property Owner (if different from applicant)

Owner's Name: June F. Hashim Revocable Trust; James R. Hashim, Trustee

Owner's Address: 826 West Street, Pittsfield MA 01201

Phone No.: 413-212-0018 E-Mail: jhashim13@gmail.com

If the Owner is different from the applicant, you must include a letter signed by the Owner giving permission to apply for funds for the specified project on the Owner's property.

**In the following chart, mark the box(es) which best describe your project.**

Boxes indicating "NO" are not CPA eligible activities.

<b>Allowable Uses Chart</b> Check applicable category to the right.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<b>OPEN SPACE</b>	<b>HISTORIC RESOURCES</b>	<b>RECREATIONAL LAND</b>	<b>COMMUNITY HOUSING</b>
<b>Definitions</b> (G.L. c. 44B, §2)	Land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use	Building, structure, vessel, real property, document or artifact listed on the state register of historic places or determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of the city or town.	Land for active or passive recreational use including, but not limited, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field.  Does <u>not</u> include horse or dog racing or the use of land for a stadium, gymnasium or similar structure.	Housing for low- and moderate-income individuals and families, including low or moderate income seniors.  Moderate income is less than 100%, and low income is less than 80% of US HUD Area Wide Median Income.
<b>ACQUISITION</b> Obtain property interest by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise. Only includes eminent domain taking as provided by G.L.c. 44B.	YES	YES	YES	YES
<b>CREATION</b> To bring into being or cause to exist. <i>Sedeman v. City of Newton</i> , 452 Mass. 472 *200*)	YES	NO	YES	YES
<b>PRESERVATION</b> Protect personal or real property from injury, harm or destruction.	YES	YES	YES	YES
<b>SUPPORT</b> Provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing or to entity that owns, operates or manages such housing, for the purpose of making housing affordable.	NO	NO	NO	YES, INCLUDES FUNDING FOR COMMUNITY'S AFFORDABLE HOUSING TRUST.
<b>REHABILITATION AND RESTORATION</b> Make capital improvements, or extraordinary repairs to make assets functional for intended use, including improvements to comply with federal, state or local building or access codes or federal standards for rehabilitation of historic properties.	YES, IF ACQUIRED OR CREATED WITH CP FUNDS.	YES	YES	YES, IF ACQUIRED OR CREATED WITH CP FUNDS

# TOWN OF LENOX

## COMMUNITY PRESERVATION COMMITTEE

### APPLICATION FOR CPA FUNDING

Date Received (for office use only) \_\_\_\_\_

This application contains thirteen (13) questions which must be answered by ALL applicants. Category specific projects must also answer the specific category sections provided. If your project can be categorized into multiple CPA categories, you must provide responses to ALL pertinent category specific questions.

You may attach additional sheets as necessary to answer the numbered questions. Please clearly organize and mark your additional sheets for the Committee's review with your project name, contact information, and headings indicating which questions and category of project you are referencing in your narrative sheets. Please include page numbers.

Address: 36 Pittsfield Rd, Lenox MA 01240

Map 36 Lot 31

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- 1) Existing use or deed restrictions, permanent easements, historic designations, special permits, etc. if any:
- 2) Project Budget (list all sources and uses, including grants, fundraising, etc.)

Project Category	Community Housing	Historic Preservation	Open Space	Recreation	
	Y1	Y2	Y3	Y4	Y5
Source Name	CPC				
Amount	500,000 (already awarded)				
% of Total	1.41%				
Used for	Creation of new housing				
Committed?	Yes				
<b>Total Project Budget:</b>	\$35,326,866				
<b>CPC Request:</b>	See attached budget sheet for current request				

Attach additional budget sheets or project budget as necessary. Include project management, oversight, engineering, and administrative costs that may be incurred.

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- 2) Project Budget (list all sources and uses, including grants, fundraising, etc.)

Project Category	Community Housing	Historic Preservation	Open Space	Recreation	
	Y1	Y2	Y3	Y4	Y5
Source Name	CPC			CPC	
Amount	450,000			50,000	
% of Total	1.27%			0.14%	
Used for	Site Utilities			Trail Creation, Wayfinding	
Committed?	No			No	
<b>Total Project Budget:</b>	\$35,326,866				
<b>CPC Request:</b>	\$500,000 (1.41% of total budget; total CPC funds would be 2.82% of budget if awarded)				

Attach additional budget sheets or project budget as necessary. Include project management, oversight, engineering, and administrative costs that may be incurred.

*Please see Attachment 2. "Project Management" and "Administrative" costs are included in the Developer Fee (calculated based on the State formula); all A&E costs anticipated are included. Additional Project Management from the Architect, Engineers, and Sustainability consultants is covered in specific soft cost categories, and Construction Management captures costs for third-party oversight from predevelopment through construction completion.*



**3) Timing of Funds: Describe when CPA funds and other funding sources are to be received.**

The Brushwood Farm Housing development proposed received \$500k from the CPA in 2022, as well as zoning approval from the ZBA (March 2022). The project was awarded state financing in May 2023 and the project team expects to close in April 2024. The construction period will be approximately 16 months; the CPA funds would be drawn down soon after the April 2024 closing.

**4) Proposed Use or Deed Restrictions after Project Completion (in accordance w/ CPA rules):**

Brushwood Farm Housing will meet the "Community Housing" definition cited on p.2 of this Application Form. The 65 rental apartments will be affordable to households at the following income tiers: 30% Area Median Income (AMI), 60% AMI, and 120% AMI. 50 of these 65 units (79%) will be affordable to households earning <60% AMI - therefore, the proposed development is aligned with the CPC's goals for low-income housing at or below 80% of US HUD Area Wide Median Income. The applicant is requesting a total of \$20k in CPC funds per low-income unit proposed, or \$1M for 50 low-income units.

*Please see ATTACHMENT for detailed affordability and unit mix and affordability period for the proposed project.*

**5) Describe the project team:**

The Brushwood Farm Housing project team is extremely experienced in affordable housing development, successfully creating and preserving thousands of units. Pennrose has long-term partnerships with skilled architects, engineers, attorneys, and many third-party companies who support high-quality affordable housing development. Through thoughtful design, detail-oriented construction practices, and comprehensive property management, the Pennrose team creates sustainable homes and effectively stewards affordable housing.

*Please see resumes and detailed project experience for the Brushwood Farm Housing development team, Attachment 4.*

**6) Additional Information: Attach, as necessary, additional material including photographs, maps, letters of support, feasibility studies, ownership letters or site control verification, engineer or architect drawings. For Historic Preservation projects, if the project is not state register listed, the applicant must provide a letter from the Historical Commission which details the significant of the project to Lenox's history, culture, architecture or archeology.**

The following documents are included as Additional Information:

- a. Site Photographs\*\*
- b. Civil/Site Plans (Form A Lot Plan, Site Plan, Grading and Utility Plans); Landscape Plan\*
- c. Architectural Plans (50% set), Renderings\*
- d. Letters of Support
- e. DHCD Project Eligibility Letter\*\*
- f. Phase I ESA\*\*
- g. Stormwater Analysis Report\*\*
- h. Municipal Impact Report\*\*
- i. Purchase Option Agreement (Amended)\*\*
- j. Traffic Study\*\*

\*Full size copies of renders and select architectural and engineering plans are available for review at Lenox Town Hall.

\*\*These documents were also submitted in the previous Brushwood Farm CPC application - there have been no/minor revisions to these documents.

# Funding Considerations

**(All applicants must fill out this section)**

**7) In what way is CPA funding a catalyst for leveraging other funding sources?**

CPA funds are essential to leveraging other funding sources for the Brushwood Farm development. The initial CPA award helped the project secure state funding in Spring 2023. Additional funds were contemplated in the initial CPA application for Brushwood Farm, and the project team is still hoping to secure additional funds to support the high costs of utility work (including a sewerage holding tank, in lieu of sufficient Town infrastructure) and additional site conservation efforts.

Now that the project is moving quickly towards a Spring 2024 closing and construction start, we are hopeful that this second application for funds will help the team address high infrastructure costs and create a successful, high-quality mixed-income housing community.

**8) What is the breadth of impact on the lives of the citizens of the Town?**

A CPA award for an additional \$500k to the Brushwood Farm project will demonstrate the Town's commitment to affordable housing to its citizens, as well as surrounding communities (who must also build more affordable housing to meet the region's growing need). The local gaps in housing affordability for low- and moderate-income households is well documented in Lenox's 2017 Housing Production Plan, and minimal progress has been made in the past 5 years. Lenox citizens are very familiar with this urgent need for affordable housing; local planning processes and public meetings/events consistently acknowledge the low percentages of rental housing stock, and our market studies, completed in 2021 and 2022, reflect the need for affordable and workforce housing in Town.

This new housing development will also benefit the Town economy, particularly businesses dependent on tourism, who struggle to hire local employees due to the high cost of living. More affordable units in Town will give current and potential employees an opportunity to live close to high-quality jobs, benefiting both workers and employers.

**9) What is the economic benefit to the Town?**

The economic benefits during the construction period will be evident in the local companies hired and dollars spent by workers at local businesses. The General Contractor is committed to local hiring practices (see Project Team Information, Attachment 4) and has already reached out to several companies for pricing. Taxes and other local fees will also directly benefit the Town.

After completion, Pennrose will hire a Property Manager, Supportive Services Coordinator, and Maintenance staff locally, as well as contract with cleaning, landscaping, snow removal, pest control, and other relevant companies for services. The 65 new households at Brushwood Farm will also contribute to the local economy, working at local businesses and spending money on goods (restaurants, retail, etc.), services (healthcare, education/training, wellness), and ongoing tax payments will create widespread economic benefits.

**10) What is the long-term benefit to the Town?**

In addition to the economic benefits described above, the Town is obligated to meet a 10% affordable housing benchmark per Chapter 40B - the state's mandate describes the benefits of creating housing options for low- and moderate-income residents in communities like Lenox, and we understand that the Town staff and officials are striving to meet this goal. More stable housing options, such as affordable rental housing, contribute to healthier families, more secure finances, better access to education and employment, and a more productive, successful community.

The Town is also hoping to secure state funding for infrastructure upgrades - funding affordable housing will help Lenox compete for the state funds needed for the Town sewer improvements proposed. Linking housing and infrastructure work will leverage public investment and provide economies of scale for capital funding, ongoing planning, and construction.

**11) What is the long-term cost to the town if action not taken?**

If action is not taken, the project will have a financing gap and may be pushed by lenders to value engineer some key features of the project out (key materials, finishes, site features) that would negatively impact the finished product and overall durability. We know the Town wants this development to be a huge success - with direct access to Route 7/20, views of October Mountain and surrounding conservation land, and key local resources and amenities - it is well-positioned to be a fantastic example of sustainable mixed-income housing in Lenox. This \$500k award will help the project become a regional model for high-quality housing production.

**12) What is the urgency of the project?**

This award is urgently needed to fill the current funding gap, which is due to significant infrastructure and site costs, rising insurance costs and interest rates, and a handful of related supply chain/industry factors. We are confident that, with these additional funds, the project can stay on schedule and start construction this coming spring. Without an opportunity to fill this financing gap, closing would be delayed and costs would only continue to increase. Furthermore, we must close this coming year in order to adhere to our Purchase Option with the property owner.

**13) Explain any other factors which may be relevant to your specific project.**

In past funding applications and public meetings, our project team has described the complexity of affordable housing financing, construction, and compliance. We are very experienced navigating this process and are committed to delivering a high-quality, sustainable development and maintaining it for the long-term. Affordable housing, more than most other types of real estate development, relies on a close partnership with a municipality, including department staff, elected officials, and the many stakeholders and citizens involved in this extended approval and development process.

We are very grateful for our partnership with Lenox and looking forward to beginning construction on Brushwood Farm in a few short months.

## Community Housing Projects

(Only Community Housing projects must fill out this section)

14) Please explain how this community housing project meets CPC goals, and goals expressed in other community planning documents:

The impact of this project will be positive and far-reaching, creating a more welcoming Lenox community and helping the Town get closer to the 10% affordable housing stock mandated by the State. Adding stable rental options to Lenox's housing stock will help the Town become an even better place for more families - at all income levels and backgrounds - to live and work.

Brushwood Farm Housing addresses all defined CPC goals and is aligned with its mission to create community housing that will "maintain, promote, and enrich the quality of life for all citizens" (p.1). The proposed development will improve local diversity and inclusion through this new affordable and workforce housing.

Please see "Project Description" for more detail on development goals.

15) Please Identify Affordability Level(s):

<u>30</u>	% of area median income	no. of units <u>9</u>
<u>60</u>	% of area median income	no. of units <u>41</u>
<u>120</u>	% of area median income	no. of units <u>15</u>

16) Please describe any additional aspects to the project, including existing site conditions, remediation, permitting, zoning regulations, whether it is the adaptive reuse of an existing building or site, whether the site is close to community services (such as schools or transportation) etc. and how your project will address these:

**Site Conditions:** undeveloped land, no remediation needed. Expected blasting to remove existing ledge, no disturbance of trees at >1400' elevation

**Zoning/Permitting:** 40B approval received (March 2022), Conservation Commission approval received (October 2021)

**Recreation/Public Access:** proposal to link to future trails at Town-owned conservation land.

**Other Site Amenities:** publicly available event space (Clubhouse), playground, bike parking, pedestrian paths, parking.

**Local Preference:** currently under discussion with the State's Executive Office of Housing and Livable Communities (EOHLC)

**Community Services:** Property management, resident programming, supportive services, ongoing site maintenance.

17) Community housing projects should provide a letter of support from the Lenox Housing Trust and Committee indicating support of the project.

Please see "Letters of Support," under "Additional Information"

## **Historic Preservation Projects**

**(Only Historic Preservation projects must fill out this section)**

Applicants should note: All CPA-funded historic preservation projects must comply with the US Secretary of the Interior's standards for the treatment of historic properties.

**18)** Clearly describe how the project meets Historic Preservation goals of the Community Preservation Plan and the 2021 Master Plan:

**19)** Describe any other relevant information about the project and the site.

**20)** Historic preservation projects should provide information describing the historic, cultural, architectural and archeological significance of their site and a letter of support from the Historical Commission.

## **Open Space and Recreation Projects**

**(Only Open Space and Recreation projects must fill out this section)**

**21) Clearly describe how the project meets the Open Space and Recreation goals of the Community Preservation Plan and the 2015 Open Space and Recreation Plan.**

Brushwood Farm Housing helps Lenox meet Town goals for recreational opportunity, preservation of scenic vistas, and public access to trails and open spaces for the long-term. The Community Preservation Plan (updated 2018) identifies use of CPA funds for land for recreational use and community housing that is acquired or created – as an affordable housing development with recreational trails and a playground shown in the proposed site plan, Brushwood Farm Housing is an ideal candidate for these funds. The Plan specifically cites trails and use of land for parks and playgrounds in Appendix 1: DOR Allowable Uses Chart. The property would also connect to future trails developed on the broader Brushwood Farm parcel that has been acquired by the Town.

Please see "Project Description," for more detail on how this project meets Open Space and Recreation goals.

**22) Explain the long-term maintenance and operating plan for the project upon completion.**

The maintenance and operation of the project will be the responsibility of Pennrose, whose Management Company (PMC) will have an on-site management office and coordinate lease-up, resident programming, maintenance staff and contracts, public access and community events, and any additional components of the project that impact its long-term success.

Regular inspections and comprehensive capital needs planning are essential for the stability of Brushwood Farm Housing. Pennrose standards require sustainable, thoughtful property management and thorough inspections and repairs as needed. Furthermore, all lenders and investors in the proposed project will have strict requirements for effective management and maintenance of the property – compliance with affordability requirements, timely completion of work orders and site repairs, and investment in the energy efficiency and sustainable operation of the development.

**23) Explain how the site will be marked or signed to indicate it is a public resource.**

The development team will include wayfinding signs throughout the property, including along pedestrian paths/outlook points and landscaped/reforested spaces. This signage will indicate that these features were supported by through the Town's CPA funds, with language and/or logos as approved by the CPC.

Property Management will also market available units, including detail on community spaces – both indoor event space and outdoor recreational space. Regular postings/communications about public accessibility will be available as requested by the Town. Pennrose will provide press releases for tourist brochures/similar as requested and is able to meet the Town's requirements for advertising the property's recreational trails, outlook, and playground as public amenities. As the development of public trails on surrounding Town-owned land proceeds, we will coordinate with the Town to ensure that trails are safely accessible from the Brushwood Farm property.

## Certification

**24)** This application was prepared, reviewed, submitted by:

Name: Rebecca Schofield

Phone No.: 617-955-6712

E-Mail: rschofield@pennrose.com

*I hereby certify that all of the above and included information is true and correct to the best of my knowledge. [for non-municipal applicants only: I further declare my willingness to enter into a Contract with the Town of Lenox, including liens, deed restrictions and other means of security to govern the use and expenditure of CPA funds.]*

Signature: 

Date: October 11, 2023