



TOWN OF WESTWOOD
COMMONWEALTH OF MASSACHUSETTS
BOARD OF SELECTMEN

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WESTWOOD STATION UPDATE

March 21, 2008

Dear Westwood Resident,

We would like to take this opportunity to update you on the Westwood Station project. There is important news regarding both the Development Agreement, as well as progress made in permitting. Our update is provided in the context of the current economic climate which is problematic and is having a direct impact on various aspects of the project. We want to ensure you at the outset that the work of the Town continues to be undertaken with the utmost consideration for protecting the Town's interests while at the same time furthering the effort to create a truly outstanding development.

Development Agreement

Despite recent inaccurate news reports and rumors to the contrary – the requirement in our zoning bylaw and in the special permit to construct the residential component of Westwood Station as condominiums remains largely unchanged. The planned effort to promote and sell the Westwood Station residential units as condominiums is also unchanged. The goal of pre-selling units before the development opens is not only unchanged, but we believe enhanced. Nevertheless, the current market for the sale of condominiums is experiencing a serious slump. Further, the credit market for financing has tightened significantly since the inception and review of the project. As a result of this and in order for the developer to obtain the institutional financing necessary to construct the first phase of the project, it has become necessary to revisit the residential restrictions imposed by the Board of Selectmen. In particular, the restriction imposing a ceiling on the maximum number of units that can be leased at any one time and the maximum term for any single leased unit have been removed in order to facilitate lenders' willingness to finance based on the support of a solid revenue stream. The Board of Selectmen completed diligent efforts to find alternatives with the developer and concluded that this change is necessary to enable the developer to continue efforts to secure financing.

Easing the leasing restrictions notwithstanding, all of the other conditions and requirements remain in place. In fact, some significant conditions have been added and while others have been strengthened. Some of these existing and expanded commitments include:

- ◆ A reaffirmation of "high-end" condominium construction with the appropriate high quality finishes (granite counters, hardwoods, tile, and the like), as well as a commitment to establish a sales office and a model unit in an existing building as soon as possible.

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- ◆ New to the housing program is the establishment of a fund providing for a Town-directed, moderately priced housing component at Westwood Station. This will have the direct benefit of offering qualified Westwood residents and Town employees housing options at Westwood Station. The Board is currently developing the guidelines for this exciting program to make Westwood Station condominiums available to seniors, empty nesters, children of residents and Town employees who may not otherwise be able to take advantage of this new housing option. The moderate housing program will, in turn, help achieve an important goal of owner-occupied condominiums.
- ◆ Funding for this moderately priced housing will be generated by reducing the actual number of affordable housing units at Westwood Station through a so-called “friendly” chapter 40B project. The 40B component is expected to be around 60 permanent rental units. These will be the only units at Westwood Station that are an exception to the condominium program. By structuring the affordable housing in a single building pursuant to Chapter 40B, we will reduce the overall number of affordable units in Phase 1 from 60 to 15. The developer has agreed to provide the Town with the funding towards the moderate program in lieu of subsidizing additional affordable units. It should be noted that the total number of residential units that can be built over time remains unchanged.
- ◆ The Board believes that the establishment of the Westwood Station moderate housing fund will provide a tremendous benefit to the Town. We encourage Westwood residents, their family members and Town employees who are interested in learning more about this program to add their name, phone number and email address to the *Westwood Station Moderate Housing Information List* at the Town’s website (www.townhall.westwood.ma.us) or by fax (781-459-1063) or email (wws-moderatehousing@townhall.westwood.ma.us)
- ◆ Although the Board believes that the changes to residential restrictions will not affect school system impacts, the Board has nonetheless negotiated an enhanced mitigation payment schedule as a condition of modifying the residential restrictions. Where the previous schedule had provisions with mitigation payments to the Town of up to \$2 million, the current potential school impact mitigation payment schedule provides for up to \$6 million in payments. The Board continues to have the authority to require additional mitigation and/or stop residential development if the ratio of school-age children to occupied units exceeds 0.22.

Community Benefits Derived from Westwood Station

In our last update, we reviewed the benefits our community will derive from Westwood Station. In addition to receiving the \$1MM funding for Westwood’s athletic fields from the developer which has been used to order turf for the High School field, additional benefits include:

- ◆ Over \$11 million in mitigation payments for schools, public safety & municipal use
- ◆ Environmental enhancements which will restore and protect the aquifer and the Neponset River
- ◆ Traffic mitigation within development, on surrounding roadways and throughout the Canton Street / Everett Street / Forbes Road area.
- ◆ The ability to shop, dine, and host functions within the Westwood community
- ◆ Guaranteed Minimum New Revenue Additions - \$1.75 million secured for the FY09 budget and \$2.75 million secured for the FY10 budget.
- ◆ \$15MM-\$20MM in new revenue growth at full build
- ◆ New amenities including:
 - enhanced access to the train station
 - canoe/kayak launch on the Neponset River
 - dedicated multi-use trails
 - access to hiking/mountain biking trails that connect to Blue Hills Reservation

Permitting Status of Westwood Station

After close to a year of review and deliberation, the Planning Board issued a Special Permit for the Westwood Station Master Plan in December 2007. Subdivision approval followed in January 2008. The area master plan approval includes over 140 conditions, restrictions and monitoring requirements on the project. The Devolvement Agreement, which is near completion, will include updated conditions and restrictions.

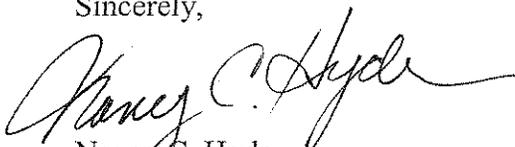
Additionally, the Environmental Impact and Design Review (EIDR), the last stage of the permitting process, is underway for phase one of the project. EIDR is the process that compares the detailed development plans against the approved master plan for consistency and compliance. It is anticipated that EIDR will be complete at the start of the summer.

Conclusion

In conclusion, the proposed Westwood Station is the result of a comprehensive and inclusive economic development process, as well as a thorough permitting process. The Board continues to weigh the benefits and burdens of Westwood Station when deliberating considerations before it. Although the current economic conditions are creating challenges for Westwood Station, the Town continues to have a tremendous opportunity to stabilize the Town's tax revenues and provide many other significant benefits to the community through the redevelopment of the University Avenue area.

We know that the reporting of these recent developments has been confusing and limited and we hope that this communication is informative. Thank you for your desire to understand these important matters that the Town and the developer are dealing with to create a successful Westwood Station.

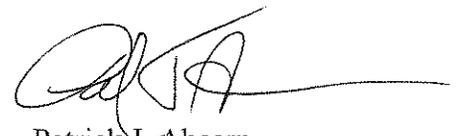
Sincerely,



Nancy C. Hyde
Chairman



Anthony J. Antonellis
Clerk



Patrick J. Ahearn
Third Member