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Subject: 1021 -1025 Mass Ave Comprehensive Permit comments

To: Christian Klein <cmgklein.alist@gmail.com>, Zoning Board of Appeals <zba@town.arlington.ma.us>

To: Zoning Board of Appeals

Comments on 1021 Mass Ave

Much of the public concern for this project pertains to the massive size of the proposed building, out of keeping with the scale of the neighborhood and contrary to the stated intent of a B1 district as specified in our zoning bylaw.

*** B1: Neighborhood Office District. In the Neighborhood Office District, the predominant uses include one- and two-family dwellings, houses with offices on the ground floor, or office structures which are in keeping with the scale of adjacent houses. Primarily located on or adjacent to Massachusetts Avenue, this district is intended to encourage preservation of small-scale structures to provide contrast and set off the higher-density, more active areas along the Avenue. Mixed-use buildings without retail space are allowed in this district. The Town discourages uses that would detract from the desired low level of activity, consume large amounts of land, or otherwise interfere with the intent of this Bylaw.** [L]
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When the mixed use bylaw amendment was passed in 2016, one of the safeguards implemented was a very modest requirement that there be a 7.5' upper story step-back beginning at the fourth floor. The Redevelopment Board explained the reason behind this requirement to Town Meeting thusly,

“To alleviate some of your street pressure from these [increased building] heights we're also proposing that any building in excess of three stories in height has a step-back of 7 feet six inches above the third story above all elevations with street frontage. What this does is it reduces the massing impact on people utilizing the street, people utilizing the sidewalk. It makes buildings feel smaller than they actually are. ... it gives the people who live here in town security that what's going to be built isn't going to be some monolithic monstrosity...”

The applicant is apparently unaware of this part of our ZBL. They have proposed a building with no fourth floor step backs, and have not requested a waiver of 5.3.17

It is not just Mass Ave that is adversely affected by the scale of this structure. If the applicant were to submit an elevation view of the abutting residential buildings on Brattle St, it would be clear how these residents would be negatively impacted. Brattle St descends from Mass Ave, and some of these homes sit ten feet lower. The proposed structure would loom more than 70' over them.

There is actually one simple change to the design that will provide significant relief to the existing Brattle St residents. The proposed building could be mirror flipped, from left to right. This would shift the five story section and much of the upper story bulk away from Brattle St.

Several questions arise from the outdated materials included in the submitted packet.

Evidence of Site Control: The document submitted is a July 2021 Purchase & Sale agreement for the two properties involved. The closing date was set for last August. There is no record in the Registry of Deeds that these sales have been completed.

The P&S agreements do have a provision for extending the Closing Date up to 180 days, and that deadline will soon run out. The applicant should provide this Board with updated documentation that establishes future site control.

Financial materials and Pro Forma analysis: The packet includes a Letter of Interest from Cambridge Savings Bank, projecting a 3 year construction loan for 75% of the construction cost. The interest rate would be set at the WSJ Prime Rate plus .75%. At the time of this offer, that rate would have been 4.25%.

The accompanying Pro Forma appears to have some inconsistencies. The total building cost is estimated at \$32,350,769. A construction loan for 75% of this cost, at 4.25%, would incur an annual interest cost of \$1,031,182, very close to the Pro forma estimate of \$1,050,000. But that is for a single year, not the implied three year term of the loan. Does the applicant expect to pay off the loan in a single year, or is the amount to be borrowed for construction only about \$11,000,000?

The other obvious point to be made is that interest rates have soared since last March. As of this week, the terms of the construction loan would be for an interest rate of 8.25%.

The total interest cost of a construction loan for 75% of the project cost would be more than \$6,000,000 over the three year life of the loan, rendering the project financially unfeasible.

Could the applicant clear up this discrepancy with the \$1M loan cost used in the Pro forma?

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