

City of Newton, Massachusetts ECONOMIC DEVELOPMENT COMMISSION

AGENDA – Revised v2

DATE: Tuesday, June 11, 2024

TIME: 7 p.m.

Ruthanne Fuller Mayor

Barney Heath, Director Planning & Development

John Sisson, Director Economic Development

COMMISSIONERS Jack Leader, Chair Jim Griglun, Vice Chair Jane Obbagy, Secretary Lisa Adams Ramzi Elfekih Jeremy Freid Debora Jackson Hedy Jarras Florent Mali Marcela Merino Phil Plottel Sarah Rahman Matt Segneri Chuck Tanowitz

1000 Commonwealth Ave. Newton, MA 02459 T 617-796-1120 F 617-796-1142 PLACE: City Hall, Room 204. Remote participation online at <u>https://newtonma-gov.zoom.us/j/85614789530</u> or +16465588656,,85614789530#

- 1. Attendance
- 2. Guest Speaker: Eric M. Turner, President of Lasell University
- 3. Approval of May meeting minutes
- 4. Business-Friendly Zoning discussion
- 5. BERDO discussion
- 6. City Updates
- 7. EDC Discussion & Subgroups
 - a. Public engagement
 - b. Economic Strategy
 - c. Business Listings
 - d. rDNA Permitting
- 8. Other/New Business
- 9. Adjournment

The location of this meeting is wheelchair accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA/Sec. 504 Coordinator, Jini Fairley, at least two business days in advance of the meeting: <u>jfairley@newtonma.gov</u> or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711. June XX, 2024

Mayor Fuller and City Councilors City of Newton 1000 Commonwealth Avenue Newton, MA 02459

Re: Business-Friendly Zoning Amendments, Docket #24-24(2)

Dear Mayor Fuller and Honorable City Councilors,

The Economic Development Commission (EDC) supports the zoning changes proposed in response to Docket #24-24(2) and amended through discussions with City Councilors. These changes may generate increased revenues through new commercial activity, job creation, and property valuations. For example:

- 1. Specific regulation of "Fast Food Establishment" is redundant if new food service uses are being permitted under the "Restaurant" use, especially if the City Council regulates drive-throughs separately.
- 2. New commercial enterprises—such as "makerspaces" and "business incubators" create business opportunities and help City staff better regulate these newer uses.
- 3. The amendment to allow "entertainment" retail concepts such as escape rooms, climbing gyms, and indoor golf simulators are flourishing around Greater Boston. This change could become attractive in city villages and commercial corridors.

These changes, and the modernization of other zoning regulations, should benefit every stakeholder affected by the associated permitting processes:

- New businesses may be able to open their doors sooner.
- Existing businesses may be able to expand, relocate or pivot more easily.
- Commercial property owners may have more flexibility in shaping tenant mix to attract foot traffic.
- The City's professional staff may more efficiently apply the clearer regulatory guidance to specific cases.

On behalf of the EDC, I would would like to offer our continued support to making Newton more business friendly.

Sincerely,

Philip Plottel Roslyn Road Waban MA 02468 philip@plottel.com

June 7, 2024

Zoning and Planning Committee City of Newton 1000 Commonwealth Avenue Newton, MA 02459

Re: #42-24 Request for Discussion and Ordinance to require energy use reporting (BERDO)

Dear Honorable City Councilors:

I am Phil Plottel and I live in ward five in Waban. This letter reflects my personal opinions related to BERDO (docket item 42-24). By way of background, I am an engineer and MBA by education and have decades of professional experience in sustainability, construction, facilities and real estate. I currently serve on the City of Newton's Economic Development Commission and was the Chair from 2020 to 2023. I am also a member of the Charles River Chamber.

The City is to be commended for its leadership in reducing carbon emissions within city limits. Implementing BERDO legislation is a step in the right direction. However, the current BERDO proposal dated May 20, 2024 contains many provisions that will end up being counterproductive. I suggest the following changes to the ordinance:

1. Include all buildings in the city above 20,000 square feet, this change would add residential buildings to the current proposed regulation of commercial, municipal and tax-exempt uses.

It must be noted that the proposed ordinance targets non-residential buildings over 20,000 square feet of which about half are classified as Tax Exempt. About two thirds of these Tax-Exempt buildings are owned by just 3 entities, Boston College, the City of Newton, and Newton Wellesley Hospital. These sophisticated entities already have sustainability efforts in place, and as long-term owner-occupiers are incentivized to lower their energy consumption. The greatest impact will be on smaller building owners.

2. Focus Newton's first BERDO legislation on data collection and benchmarking and defer fees, fines and penalties for future legislation.

The burden of the payment of fees, fines and penalties will likely fall on financially constrained tax-exempt entities including houses of worship, and the tenants of

commercial buildings. The consequences of adding costs to these entities will likely result in non-profits and businesses closing, reducing services or leaving the City, and contribute to a reduction in commercial tax revenue.

The City's legal basis to unilaterally impose fees, fines and taxes on either tax-exempt entities or gas delivered by a regulated utility needs to be clarified. Given the protected nature of tax-exempt entities and the Commonwealth's regulation of utilities, it is not obvious the City has any legal basis to enact these types of fees, fines or taxes.

The proposed ordinance vests tremendous power in the newly created BERDO Administrator role. The BERDO Administrator, an appointed City employee, appears to have sole discretion to set regulations, provide variances and distribute funds collected from BERDO fees, fines and penalties without City Council approval or oversight or an appeal process. The proposed ordinance positions BERDO to become a potential revenue stream via fees, fines and penalties with only vague examples of how the revenue would be allocated. The lack of transparency in all of the above creates the potential for abuse.

3. Re-organize the City's sustainability efforts to improve the energy performance of substandard buildings identified from BERDO data.

The proposed ordinance is silent on resources such as staffing, consultants, office space, legal challenges, etc. that the City will require to implement and support the proposed BERDO ordinance. Given the City's structural deficit, can the City afford to create the organization needed to implement the policy, and oversee administration of, fines and fund distribution? Both Cambridge and Boston, on which Newton's BERDO policy is modeled, have entire teams devoted to it.

For Newton today, it would be better to focus the existing 2.5 FTE Sustainability Department on implementing reporting and helping owners of inefficient buildings upgrade their properties.

I am supportive of the City's efforts to require energy use reporting and believe transparency, benchmarking and technical support are effective in the near term to help reduce energy consumption. Thank you for your time and consideration.

Sincerely,

Phil Plottel

Phil Plottel

Copy to:

- Mayor Fuller, City of Newton
- Greg Reibman, President Charles River Chamber
- Newton Economic Development Commission