### **CITY OF NEWTON**

### IN BOARD OF ALDERMEN

# REAL PROPERTY REUSE COMMITTEE

### TUESDAY, FEBRUARY 25, 2014

7:00 PM – PLEASE NOTE TIME Room 222

To be discussed:

#384-11(4)

JOINT ADVISORY PLANNING GROUP and PLANNING & DEVELOPMENT DEPARTMENT filing their separate reports pursuant to Ordinance Sec. 2-7(2)b) identifying alternatives for the future use of the former Parks & Recreation site at 70 Crescent Street, Auburndale which with the exception of the piece designated as the Reverend Ford Playground was declared surplus by the Board of Aldermen on February 6, 2012.

Note: Please see attached Planning Department Memorandum, dated February 21.

Respectfully submitted,

Susan S. Albright, Chairman



Setti D. Warren Mayor

# City of Newton, Massachusetts

Department of Planning and Development 1000 Commonwealth Avenue Newton, Massachusetts 02459 Telephone (617) 796-1120 Telefax (617) 796-1142 TDD/TTY (617) 796-1089 www.newtonma.gov

Candace Havens Director

### MEMORANDUM

DATE:

February 21, 2014

TO:

Real Property Reuse Committee of the Board of Aldermen

FROM:

Candace Havens, Director of Planning and Development

Alexandra Ananth, Chief Planner for Current Planning

RE:

Docket Item #384-11(4); Disposition of 70 Crescent Street

**MEETING DATE:** 

February 25, 2014

CC:

Josh Morse, Acting Commissioner of Public Buildings

Bob DeRubeis, Commissioner of Parks and Recreation

Bob Rooney, Chief Operating Officer

In response to questions raised at the Real Property Reuse Committee public hearing held on February 26<sup>th</sup> and Working Sessions on April 11<sup>th</sup>, September 24<sup>th</sup>, 2013 and January 28<sup>th</sup> 2014, the Planning Department is providing the following information for the upcoming working session.

### **PETITION #384-11(4)**

**70 Crescent Street** 

### **Project Overview**

The site at 70 Crescent Street is the former location of the Newton Parks and Recreation Department Headquarters, which has since moved to the former Newton Corner Library building. The site includes an operations facility and a playground with tot lot. The operations portion of the lot was made available for reuse in September of 2011. The City is currently exploring options for disposition of this site.

### Background

The Board of Aldermen appointed a 14-member Joint Advisory Planning Group (JAPG) to make recommendations about future use of this City-owned parcel. After meeting for three months the JAPG produced a report that recommended medium-density housing, including a significant percentage of affordable housing units and no changes to the playground.



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At a subsequent Reuse meeting, the Committee discussed the possibility of declaring the playground portion of the site surplus so as to improve access and better integrate it into any prospective development. Both the JAPG and the Planning Department recommend that new development on the site improve access to the playground, which is a well-used neighborhood amenity. The Parks and Recreation Commission, as well as neighbors concur that the playground and tot lot should remain, and should be equal to or larger than the existing playground. The Newton Parks and Recreation Commission voted at their November 2013 meeting to not surplus the playground. The Commission further voted to advocate that the entire area be redeveloped as open space.

During the course of these public meetings neighbors have recommended improvements to the playground portion of the site, such as community garden space, additional trees, benches, play areas for older children, accessible walking paths to various points of entry, links to the commuter station, and possibly a basketball court. Those present at a recent neighborhood charrette voiced strong support for creating a park/playground over the entire parcel.

The Committee must determine its preference for future development so as to make recommendations to the Board of Aldermen (Board) and Mayor. The Planning Department believes that optimizing the site to include some new housing, which could contribute to funds available for improvements to the playground portion of the site, would benefit the surrounding neighborhood while providing for a long-term tax benefit to the City. At the January meeting the Planning Department presented a conceptual plan, for illustrative purposes. We believe this plan balances the expressed interests of all parties because it increases the size of the playground, provides a modest amount of housing (which could be capped), and is expected to create revenue to enable improvements to the playground in the near future. The Planning Department further, suggests that this site be used as a model for energy-efficient housing.

### Questions from the January 2014 Working Session

### Previous uses of the site

The site has a long history of residential and later automotive uses. Prior to 1947 the site was owned by multiple families with jobs such as Coachman, Bookkeeper and Reverend. From 1947 to 1963 the site was occupied by the Richard White Construction Company, until it was taken by the Turnpike Authority through Eminent Domain for the intended construction of an interchange in this general area. The State Police used the site until 1967 when Turnpike maintenance occupied the site until 1969. After making minor renovations, the Newton Parks and Recreation Department moved from City Hall to the site, and was joined by their Maintenance Division.

The prior uses, which have been automobile focused activities, may have resulted in accidental spills or intentional dumping of chemicals. Many possible contaminants could be associated with these activities, including petroleum products, PAHs (particularly from motor oil), solvents like trichloroethylene (TCE), used tires and rubber products, metals (used engine oil may contain chromium, lead, molybdenum, or nickel from engine wear), or used batteries (which may release lead

or mercury). Junk vehicles may also be a source of these chemicals or other contaminants, depending on their condition and how and where they are stored.

It is expected that a Phase I and Phase II Environmental Report would need to be performed to test for any environmental concerns. Concerns may include asbestos or lead paint in existing buildings to be demolished, as well as soils testing for contaminants from previous automotive uses. There are no known underground tanks located on the site.

### What triggers a 21E?

A 21E may be triggered by evidence of contamination. Massachusetts General Law, Chapter 21E created a cleanup program for contaminated properties. The Department of Environmental Protection (DEP) must be notified when sites exceed specific contaminant levels. The DEP requires contamination to be cleaned up to a level that protects people and the environment based on how the site is being or will be used, such as for housing, commercial purposes or parkland. The regulations also allow land use controls, called activity and use limitations (AULs), to be used as cleanup strategy components.

To encourage these sites to be reused, the Brownfields Act, which amended c. 21E in 1998, created protections for people who do not own or operate the site at the time of the release and do not cause or contribute to the contamination and who complete the cleanup. This relief ends liability for third party costs, property damage claims, and states reimbursement actions. People not qualifying for this protection may apply to the Attorney General for a negotiated "covenant not to sue" for cleanup costs. The Brownfields Act also created exemptions and defenses for other entities such as tenants, banks, community development agencies, and down-gradient property owners.

### **Basics of the State Brownfield program**

A brownfield is land previously used for industrial or commercial use where future use is affected by real or perceived environmental contamination. Land may be contaminated by hazardous waste or pollution but has the potential to be reused once it is cleaned up. A number of financial and remediation techniques are used to expedite the cleanup of brownfield sites. For example, some environmental firms have teamed up with insurance companies to underwrite the cleanup of distressed brownfield properties and provide a guaranteed cleanup cost for a specific brownfield property, to limit land developers' exposure to environmental remediation costs and pollution lawsuits. The environmental firm first performs an extensive investigation of the brownfield site to ensure that the guaranteed cleanup cost is reasonable and they will not wind up with any surprises. The Crescent Street site has not been assessed and has not been identified as a contaminated site.

### Cost of remediation of the Lexington Street site

The developers for 192 Lexington Street revealed that they spent \$12,000 for demolition of the existing residence, which included asbestos removal, \$10,000 in environmental testing, and \$15,000 in consulting fees. They estimated that the City should also expect roughly \$25,000 in soil removal

fees though it might be less. Since these costs are yet unknown, the City may need to be prepared to negotiate cost of remediation and perhaps contribute to the cost of clean-up of the site.

### Is this site eligible for CDBG funding?

70 Crescent Street is outside any of the City's four Community Development Block Grant (CDBG) target neighborhoods, so it would not be eligible for funds for general improvements to the park (master plan, playground equipment, basketball court, etc.).

CDBG Architectural Access funds could potentially go into a park, but they could only pay for accessible features, such as accessible paths, water fountains, or benches (no play equipment). Parks & Rec. has a long list of accessibility improvements, so a project here would have to fit into that queue.

CDBG Housing funds are a potential source of revenue for affordable housing if a developer applied for them and the project meets the eligibility criteria. CDBGs can only fund limited activities for new construction projects (environmental clearance/demolition, acquisition, and site improvements while still publically owned) and 51% of the units would have to serve low- to moderate-income households, which may limit other aspects of the plan.

The HOME Investment Partnerships Program (HOME) is the largest Federal block grant to State and local governments, including Newton, designed exclusively to create affordable rental and ownership housing for low- to moderate-income households. HOME is a flexible funding source for developers, and can pay for the acquisition, hard and soft costs of a project. HOME requires certain rent and subsidy limitations (e.g. \$197,478 per each 2-bedroom unit). Unlike CDBG, the amount of HOME investment determines the number of affordable units required in a project; there is no 51% affordability requirement.

# Can we back into the number of units that would be needed to fund improvements to the playground?

Without knowing the size of the playground or level of improvements, it is difficult to estimate this number. The value of the sale of the land is based on what you can build on it and the external factors or restrictions that may limit development. Based on information provided by the Assessor's Office, below are listed the possible assessments of the land value if the property were developed as condominiums (homeownership) with 4, 6, 8 or 10 units:

Number of Units	Estimated S. Land Values	Potential Sale Price
4	\$720,000	\$1,800,000
6	\$1,080,000	\$2,700,000
8	\$1,440,000	\$3,600,000
10	\$1,800,000	\$4,500,000

Based on the Weston and Sampson estimate for the entire site and applying the costs to the existing playground plus 20,000 square feet of additional open space, design and improvement costs, the redevelopment costs are estimated to be between \$500,000 and \$750,000. The land values as noted above six units or more exceed this amount, so it is expected that sale of the land under any of these scenarios would be adequate to pay for desired improvements to the playground and could cover additional funds for maintenance for several years. NOTE: Developers have stated that each affordable unit requires at least one market rate unit to offset its costs to the developer.

# What if the parcel is not defined in advance so a developer has maximum flexibility for configuring the layout of playground and housing?

The Request for Proposals could be written for the 68,000 square foot surplused parcel so as to explicitly state that an expansion of the park (including access) that responds to neighborhood interest is a desired goal, or that proposals that maximize open space for the neighborhood and minimize the number of housing units will be looked at more favorably. However, the Planning and Law Departments agree that if a portion of the surplused site is used to expand the existing open space, it would be more efficient for this portion of the site to be owned by the City and zoned Public Use, and should not be included in the developable parcel so as to give greater clarity and certainty about the parameters for both when developers respond to the RFP.

### How does this project compare to other parks priorities?

Commissioner DeRubeis notes this project as a low priority compared to several others, many of which have been under consideration for several years. He also expressed concerns regarding ongoing maintenance of an expanded park and the cost of 21E remediation (ATTACHMENT A).

### What is status of the Open Space Plan, list State-funded programs that this will give City access to.

The City's Open Space and Recreation Plan (OSRP) has been conditionally approved by the State. Our Environmental Planner is working to finalize those sections that were flagged as needing further refinements. We expect to resubmit the plan for approval (or further comment) in the next couple of months. Newton must have a final approved OSRP to receive Division of Conservation Services grants (and possibly other State grants).

The State grants that we know require an approved OSRP are the Department of Conservation Services (DCS) administered Land and Water Conservation Fund Grants (matching grants to states and local governments for the acquisition and development of public outdoor recreation areas and facilities), LAND Grants (reimbursement funding for the acquisition of land or a conservation restriction, as well as for limited associated acquisition costs) and PARC Grants (assist cities and towns in acquiring and developing land for park and outdoor recreation purposes). The Common Backyards program (helps cities create or renovate parks in the neighborhoods that need them most, preferably Environmental Justice neighborhoods) also requires an approved OSRP. There may be additional recreation-oriented grants that require an approved OSRP.

### **Options**

The Real Property Reuse Committee must determine whether it wishes to recommend sale or lease of the site, and set a minimum price for such disposition. It also may make recommendations that will shape future development on this site. As such, the Committee has the following options:

- 1. Maintain ownership of the property by the City for other purposes. Although maintaining ownership of the property by the City is an option, no department has expressed an interest or the ability to oversee use of this land.
- 2. Create a larger playground/park or conservation area that encompasses the entire site. Expansion of the existing playground to cover the entire site and include new facilities would be an attractive amenity for the neighborhood. Weston and Sampson was engaged by the Parks and Recreation Department to provide a preliminary estimate for the conversion of the parcel as a new neighborhood playground. The estimated cost is \$1.8-\$2.0M not including ongoing maintenance expenses. The site is eligible for purchase with CPA funds; however, a request would need to be submitted by the Parks and Recreation Department which included matching funds for purchase, construction, and ongoing maintenance. The proposal must also demonstrate a City-wide benefit. The site is not currently identified in the City's Open Space Plan or CIP for acquisition as park or conservation land.
- 3. Make available for sale or lease only the portion of the site occupied by the former Recreation Department headquarters for housing. The playground would remain in its current location and be enlarged by about 20,000 square feet, which would allow for easier access to the site. Overlaps of land between the Myrtle Baptist Church and the City could be addressed with easements pending further review by the Reuse Committee and Parks and Recreation Commission. Sale of developable land for a modest amount of housing could be used to fund improvements to the expanded playground.
- 4. Consider the whole site for reuse and recommend its sale or lease for housing and a playground. This action requires that the Parks and Recreation Commission to declare the playground available for reuse. The Reuse Committee would determine whether it wishes to reconvene the JAPG to review the future of the site as a whole, prior to making its recommendations to the Board for the entire parcel. In the process of reconfiguring the land, the overlaps in use of the City and Myrtle Baptist Church properties could be reconciled. The sale of some land for housing could provide a source of revenue to make improvements to the existing or expanded playground.

### RECOMMENDATION

Staff recommends the Reuse Committee recommend to the Board of Aldermen that the portion of the site occupied by the former Recreation Department headquarters be made available for lease or sale. An RFP would be developed that seeks a qualified development team to design an appropriate housing project for the site. The City could give preference to a team that can design and develop energy-positive housing units for home ownership that will produce replicable high-performance residential green building prototypes. The team must be capable of working with the neighborhood and City to provide a plan that satisfies all conditions of the RFP and can respond creatively to Board

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and public comments. Staff recommends the team hold at least two neighborhood meetings prior to applying for a special permit. Staff further recommends that City complete a survey of the site to better delineate the land to be made available for open space and housing. If the Board wishes to pre-zone this property, such a request would be heard by the Zoning and Planning Committee prior to Board action. The City shall also complete an appraisal prior to the site's sale or lease.

### **ATTACHMENTS:**

Attachment A: Letter from Newton Parks and Recreation Commissioner, dated February 18, 2014
Attachment B: Zoning Map illustrating possible development parcel and expanded playground

Attachment C: Draft Conditions for approval for lease or sale

# Attachment A



# NEWTON PARKS AND RECREATION DEPARTMENT

124 Vernon St. Newton, MA 02458 Office: (617) 796-1500 / Fax: (617) 796-1512 TDD/TTY: (617) 796-1089 parks@newtonma.gov



February 18, 2014

Alderman Susan Albright, Chairman Real Property Reuse Newton Board of Aldermen 1000 Commonwealth Avenue Newton, MA 02459

Dear Alderman Albright,

On Tuesday, February 11, 2014, I met with Elaine Rush Arruda and Shule Askan, proponents of the Crescent Street Open Space proposal. Also present at this meeting were Alice Ingerson, Community Preservation Program Manager, Carol Schein, Open Space Coordinator and Carol Stapleton, Recreation Program Manager. Ms. Ingerson presented an overview of the CPC process as well as the history of the Curve Street neighborhood. Ms. Ingerson referenced the Biddy Mason Park in Los Angeles, California as a wonderful example of incorporating the historical perspective into a park setting.

The proponents' proposal consists of community gardens, an extension of the current Reverend Ford Playground, to include equipment for school age children, picnic tables and benches and increasing the parking lot of the Myrtle Baptist Church. The approximate area that this would encompass is 97,000 square feet or 2.2

As the Parks & Recreation Commissioner, I have been a proponent of open space and continue to work on the improvement of our parks and playgrounds. While I commend the proposers on their perseverance and the desire to develop open space, I cannot endorse the proposal as presented.

The following are concerns that hamper the viability of the project:

Priority: It would not be high on the current list of departmental projects. The following would take precedence;

- Newton Highlands Playground -CPC proposal stage
- Farlow Park-CPC proposal stage
- Waban Hill Reservoir-CPC pre-proposal stage
- Crystal Lake Bathhouse-CIP
- Gath Pool-CiP

Time: Newton Highlands was identified as our top priority in 2005 through a citywide inventory and assessment. In 2007, a master plan of the site was developed. This fall, we presented a CPC proposal for construction documents. It is apparent from this timeline, that even projects that occupy a place of prominence are faced with a substantial period of time from inception to completion.

COMMISSION MEMBERS

WARD 1 - BETHEL CHARKOUDIAN WARD 2 - ARTHUR MAGNI, CHARMAN WARD 3 - PETER JOHNSON

WARD 5 ~ BYRON DUNKER

WARD 7 – RICHARD TUCKER, VICE-CHAIR WARD 8 – DONALD FISHMAN SECRETARY-ROBIN MCLAUGHLIN



# NEWTON PARKS AND RECREATION DEPARTMENT

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Cost: Turning the entire site into open space requires additional funding to design, construct and maintain on an ongoing basis. As a department we are working toward improving the current inventory, any additional acreage increases the burden.

Environmental Assessment & Mitigation: This has been an operations center for the past 40 plus years with a number of different materials on site. Mitigation of this site is a wildcard cost that has to be taken into account.

While I believe that a green space equal to that of the current Reverend Ford Playground should be larger and more easily accessed, I feel that the most prudent avenue to reach that desired goal is to have a developer undertake the project as part of development of the entire site. The Open Space proposal could be incorporated as part of the entire proposal.

By placing it in the hands of the developer, the project will take on a more aggressive timeline and not allow the land to remain stagnant for a number of years. As part of the plan, the developer should incorporate a maintenance endowment so that we can make sure that the open space gets maintained properly. The cost of mitigation would also be a cost that would have to be incurred by the developer.

I would recommend that there be a limitation on the housing units with the intent of development to be the driver on funding the open space. By limiting the housing units and expanding the current open space at the site we have what I feel would be a tenable situation for all parties involved.

Sincerely

Robert J. DeRubeis

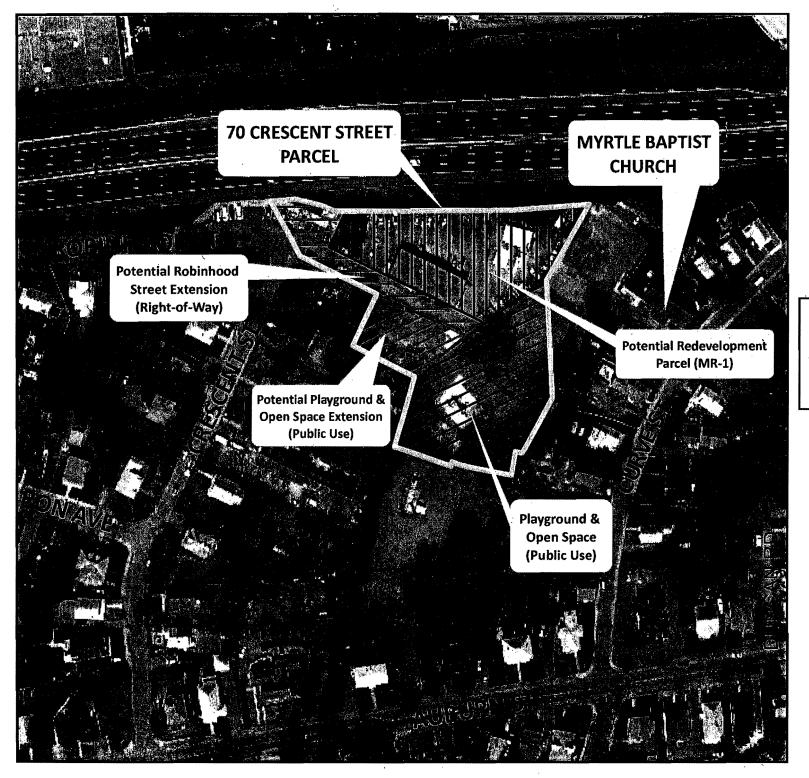
cc: Robert Rooney, Chief Operating Officer

Candace Havens, Director of Planning and Development

Alexandra Ananth, Chief Planner for Current Planning

Carol Schein, Open Space Coordinator

Carol Stapleton, Recreation Manager



**Potential** Development Parcel and Open **Space Extension** Map 70 Crescent St. Project

> City of Newton, Massachusetts

### Legend

Redevelopment Parcel Open Space (Public Use) 70 Crescent St

Enlarged Open Space Robinhood St Ext

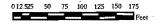




TTACHMENT

The information on this map is from the Newton Geographic Information System (GIS). The City of Newton cannot guarantee the accuracy of this information. Each user of this map is responsible for determining its suitability for his or her intended purpose. City departments will not necessarily approve applications based solely on GIS data.

CITY OF NEWTON, MASSACHUSETTS Mayor - Setti D. Warren GIS Administrator - Douglas Greenfield



### DRAFT CONDITIONS FOR APPROVAL

The Planning Department recommends that the Committee support sale or lease of the former Parks and Recreation headquarters parcel for a nominal fee, but that a monetary bid be required, so as to allow maximum flexibility in selecting a developer than can best meet the terms and conditions of an RFP/RFQ on the following conditions:

- The City shall survey the property to verify property boundaries, delineation of properties to be zoned for Public Use and Multi-Residence use, and to identify site conditions, condition of existing infrastructure, and encroachments.
- 2. An RFP should be developed and issued in order to seek a qualified development team to design an appropriate project for the site, with a special interest in maximizing and enhancing open space for the neighborhood.
- 3. The City has a particular interest in selecting a team that can design and develop energy positive housing units for home ownership that will produce replicable high performance residential green building prototypes.
- 4. The team must be capable of working with the neighborhood and City to provide a conceptual plan that satisfies all conditions of the RFP and can respond creatively to Board and public comments. The team shall hold at least two neighborhood meetings prior to filling for any necessary permits, including a special permit and zone change.
- 5. Development caps or maximums should be considered for the site, which may include a total gross square footage of construction and number of units.
- The City shall complete an appraisal of the development site prior to its sale or lease. A specialized appraisal that takes into account the potential for contamination could be requested.
- 7. The development shall provide a long-term tax benefit to the City.
- 8. The development shall include access to the Reverend Ford Playground, which shall be no less than 37,000 square feet but may be expanded and improved. The developer is encouraged to make improvements to the playground so as to make it usable by the neighborhood and Myrtle Baptist Church. Improvements should encourage use by all ages and abilities, walking paths and connections, a community garden, play equipment, benches, trees, basketball court or other such features that enhance its use. At a minimum, the playground will include the existing amenities and be designed to the approval of the Parks and Recreation Commission and under the direction of the Commissioner of Parks and Recreation, who will be responsible for maintaining the playground.
- 9. Design of new homes should be context-sensitive in the following ways:
  - a. Units should vary in size so as to reflect historical development patterns, offer a range of choices for housing, and can be either clustered or a traditional subdivision, whichever is most compatible with the neighborhood. Cottage style housing or townhouses in more than one building are encouraged.
  - b. Designs should relate to the history of the neighborhood, create interest and not be generic, flat-faced buildings.
  - c. Colors and materials of buildings should draw upon architectural styles and materials used elsewhere in the neighborhood.

- d. Landscaping should complement and enhance the structures and existing vegetation. Landscaping along the MassPike barrier wall should be provided in such a way to soften the appearance of the wall and enhances the neighborhood character.
- 10. The development should be physically, financially and legally feasible for the purchaser or lessee.
- 11. Traffic generated by the new project shall not exceed that which existed with the prior use.