#### <u>CITY OF NEWTON</u>

#### **IN BOARD OF ALDERMEN**

### REAL PROPERTY REUSE COMMITTEE REPORT

#### TUESDAY, FEBRUARY 26, 2013

Present: Ald. Albright (Chairman), Ald. Fischman, Laredo, Gentile, and Crossley; absent: Ald. Danberg, Swiston; 1 vacancy

Staff: Candace Havens (Director of Planning & Development), Eve Tapper (Chief Planner for Current Planning), Alexandra Ananth (Senior Planner), Ouida Young (Associate City Solicitor), and Linda Finucane (Assistant Clerk of the Board)

#287-11(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 Newton Centre

Library/Health Department building at 1294 Centre Street, Newton Centre, which was declared surplus by the Board of Aldermen on March 6, 2012.

ACTION: HELD 5-0

NOTE: The public hearing was opened and closed on January 29, 2013. Present at the hearing were Alderman Albright, Fischman, Laredo, Crossley, and Danberg; also present were Alderman Blazar and Fuller. Members of the Joint Advisory Planning Group (JAPG) included Loren Balsam, Warren Brown, Molly Gasnick, Peter Lew, Sarah Luria, George Mansfield, Trudy Reilly, Norman Sirk, John Sisson, Maurya Sullivan, Don Tellalian, Ben Tucker, Beth Wilkinson, and Carolyn Wong, several of whom were present.

The JAPG met over the course of three months and submitted a report dated September 21, 2012. The JAPG considered three alternatives for the building. One, that the city maintain ownership for community use was rejected given the estimated \$1.6 million cost to repair the building. The second alternative to lease the ground/and or building requiring the lessee to be responsible for physical renovations and for maintaining a civic use in a portion of the building was also rejected primarily because the city is not in the property management business. Ultimately, the JAPG recommended the following:

- selling the building for a specific use for a minimum bid of \$1;
- require the successful bidder to preserve and restore the historic features of the main portion of the building which is listed in the National Historic Register,
- put in place deed restrictions to ensure continued maintenance of the building;
- allow the rear addition of the building to be altered/or demolished to create a more open space, pedestrian flow, and vistas;
- encourage incorporating the site into a comprehensive plan that opens the site on all sides to promote connectivity to existing green space;
- rezone the site from Public Use to Business 1 (the same as surrounding commercial sites);
- consider future development on adjacent sites and the surrounding area including possible land swap with another property;

• implement goals of the *Comprehensive Plan* to enliven the area, to promote community access, improve pedestrian connectivity, etc., a gathering place such as a market, not a meeting room.

The Planning Department essentially agrees with the JAPG report, except it suggests leasing the building because the parcel, located in the heart of Newton Centre, is a valuable asset to the city that could generate significant revenue.

The committee grappled with sale vs. lease. Members agreed that the rear wing, a later addition, was not historic. Will the city do some of the repair work to secure the building's envelope? How much is the city willing to put into the building? Should an appraisal be done before setting a minimum price? The site does serve as a catalyst to development of adjacent lots.

#### Comment:

JAPG member Sarah Luria: The building is located at a large but difficult intersection in the heart of Newton Centre. It would lend itself to a "gathering spot."

JAPG member Norman Sirk: Selling the building would make it more appealing to a developer to preserve the historic elements and the city would be free and clear. Preservation and use guidelines could be included in the RFP. The site is pivotal to other developments in the area.

Former Alderman and JAPG member George Mansfield: A long-term lease would give the city more long-term control; there are different types and levels of management. The city could consider a ground lease, as it has done with Warren House. The city should take its time, it doesn't have to sell immediately, it needs to do it right to retain opportunity. Carlisle, where he is the town planner, decided to stabilize a much larger, older c. 1800 wood-frame school building before putting out the RFP.

Ruth Neiberg, 72 Dalton Road, a 47-year resident pointed out that the face of retail has changed with online shopping. The city should be thinking of a need for multiple usages, think more grandly, gathering place, library, etc.

One of the issues studied by the 2005 Newton Centre Task Force related to the 155-space triangle parking lot and whether it could be put to better use. Since 2010, a group of property owners and representatives from the city have been in discussions relative to providing long-term commuter and employer/employee parking. The group developed with Architect John Pears a proposal to construct over the MBTA tracks and a portion of the Cypress Street parking lot a 30-foot high, 4-level parking structure, containing 400 parking spaces. However, the parking garage cannot be built without a land swap involving a portion of city-owned land.

The contiguous sites are crucial; potential development, particularly if a land swap is involved, might attract a type of developer who could make it economically feasible to incorporate the building into a future development. What types of incentives could the city offer? Increased density? A reduction in parking? Preference to abutting properties? Ms. Young pointed out that

if a land swap were to occur it would trigger, as does anything over \$25,000, the public bidding process under GL chapter 30B.

Several members initially inclined towards sale are now leaning towards leasing. Are there examples of other long-term leases of city-owned property? Perhaps the city should solicit a sense of interest from the development community. Should the RFP be written with both options? Leasing the building could allow it to languish further, with just minimal functionality. Who will invest in a 4,000 square foot building? A preservation restriction could be an impediment. There is limited parking on the site. Sale proponents noted that selling the building would save the city from having to spend funds to make the lease work. A community gathering space could be incorporated into the RFP. Lease proponents expressed concern that the city will lose control of development of the site if it is sold. However, everyone concurred that the building needs to be secured; currently it is a liability.

Attorney Terrence Morris, representing 39 Herrick Road Realty Trust, which was granted a special permit – not yet exercised - in December 2009 for a 3-story mixed-use building containing 4 dwelling units and ground floor commercial space with a 75-seat restaurant and underground parking, explained that his client's property abuts 1294 Centre Street on two sides. The driveway providing the only access to the proposed underground garage at 39 Herrick Road traverses under 1294 Centre Street, but if the parking structure and associated land swap occur this could be turned into a pedestrian pathway out to Newton Centre. Although historic, the value of the building is affected negatively because it is only one story. However, demolishing the rear addition and constructing a new addition could help preserve the front of the building. A community gathering space could be located to the rear of the building.

Although this parcel would not be part of a land swap the Committee agreed it needs to be taken into consideration as part of the whole block. Should it be rezoned to Business 1 or as a type of Mixed Use? Is there opportunity to create green space? What about establishing an urban development corporation? How much money is the city willing to put into the building?

This evening the Committee reviewed a memo dated February 22 (attached) in which the Planning Department addressed a number of questions raised at the public hearing. The memo notes that exploration of the potential redevelopment of the whole bock is ongoing. Ms. Havens said that the last parking study in Newton Centre was done seven years ago. Adjacent property owners have commissioned a parking study expected to be finalized within the month. The results will anticipate under various scenarios the need for additional parking in Newton Centre. If the Committee wishes to consider the future use of the building within the context of plans for the entire block, the Planning Department recommends holding the item. Several Committee members suggested that a short-term lease may be an interim solution to see if a proposed concept for the whole block comes to fruition. However, a crucial factor is how much the City is willing to put into the building. What is the best way to reconcile a revenue generator with a good project long-term for Newton Centre? The Committee voted 5-0 to hold the item.

#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 was declared surplus by the Board of

Aldermen on February 6, 2012.

ACTION: HEARING CLOSED; HELD 5-0

NOTE: Joint Advisory Planning Group (JAPG) members included Mark Armstrong (Chair), James Robertson (Vice Chair), Eunice Kim, George Schnee, Rick Sewall, Jim Miller, Ed Hadro, David Snieckus, Tom Turner, Lawrence Schwirian, Andrea Kelley, Angelo Conti, Kathy Mazzola, Wataru Matsuyasu, many of whom were present this evening. Mr. Armstrong, an architect who resides at 61 Vaughn Avenue, presented the JAPG report.

Ms. Ananth presented the attached PowerPoint. The JAPG recommends that the City sell the 62,088 square feet of property that was declared surplus by the Commissioner of Parks & Recreation. This excludes the 37,000 square-foot piece designated as the Reverend Ford Playground/Park which is attached to the Myrtle Baptist Church and accessible only via private property. It believes the parcel is best suited for a moderately-sized residential development of 8 to 20 units in several low-rise structures with at least 25% affordable units that include a mix of types and sizes. It suggests that prior to its sale the existing buildings be demolished and the property be rezoned from Public Use to a Multi Residence district. Since the site has a history of being used to store vehicles and heavy equipment first by a contractor's yard and subsequently by the City, it may contain hazardous materials. As this may negatively affect the sale of the site, a study should be performed to assess the environmental conditions.

#### Speakers included:

Josephine McNeil, 53 Taft Avenue, a member of the Newton Housing Partnership and Executive Director of CAN-DO, who asked if the JAPG recommended ownership or rental. Mr. Armstrong explained that the JAPG was not specific intentionally. Members wished to be deliberately opened ended to allow flexibility as to the type, mix, number of bedrooms, etc.

Bob Totaro, 88 Crescent Street, is a 70-year resident who has seen many changes with the B&M Railroad bisecting the street, construction of the Turnpike that included land takings, a contractor's yard, and then the city. It is a small street and he is concerned about the number of units and the increase in traffic. The neighborhood has been trying to get barriers installed along the Turnpike to lessen the noise from traffic.

A resident of 84 Crescent Street echoed Mr. Totaro's concerns about the number of units and the additional cars.

Phil Herr, 20 Marlboro Street, a member of the Newton Housing Partnership, said it is helpful to understand what is allowed in a Multi Residence zone. Would residences be more disruptive that the Parks & Recreation Department?

JAPG member Rick Sewall explained that the group had toured the neighborhood several times. As shown in the JPAG report, it is a dense neighborhood with small lots. Twenty units would be less dense than what exists and could provide better access to the open space portion that comprises the playground. A Multi Residence 1 district would allow ten units by right.

Both the JAPG and Planning reports suggest that the site and various scenarios be viewed in conjunction with the Myrtle Baptist Church and playground, perhaps the playground could be relocated to a different portion of the site providing better access to both pedestrians and drivers. The Committee agreed that access to the playground should be better. The whole site should be evaluated for its future use including parking accommodations if the church is willing to work with the city and potential developer. The Planning Department recommends, and the JAPG agrees, that the playground should be declared surplus as well to open up the entire site for reuse with the caveat that the playground remain on the site and be publicly accessible.

JAPG member Ed Hadro noted that the 20 units at 40 Crescent Street on the other side of the Turnpike, built in the late 1990's on a comparably sized lot, is a mix of market rate and affordable units that is very successful and effectively buffered by a sound barrier.

Alderman Gentile likes the flexibility recommended by the JAPG. Floor Area Ratio, although not applicable to attached dwellings, could provide guidance for reasonable density.

As to whether there are any title issues from the Turnpike takings, Ms. Young said that the city will need a survey. She believes the title is more significant than the 21E issue. It doesn't appear relocating the park within the site will trigger an Article 97, but that will have to be determined as well.

Alderman Laredo asked the Planning Department to provide for the working session the number of trips per day generated by the Parks & Recreation Department.

The Committee voted 5-0 to hold the item.

The meeting was adjourned at approximately 9:30 PM.

Respectfully submitted,

Susan S. Albright, Chairman



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Candace Havens Director

#### MEMORANDUM

**DATE:** February 22, 2013

**TO:** Real Property Reuse Committee of the Board of Aldermen

**FROM:** Candace Havens, Director of Planning and Development

Eve Tapper, Chief Planner for Current Planning

Alexandra Ananth, Senior Planner

**RE:** Disposition of 1294 Centre Street

**MEETING DATE:** February 26, 2013

**CC:** Stephanie Gilman, Commissioner of Public Buildings

Dori Zaleznik, Commissioner of Health and Human Services

In response to questions raised at the Real Property Reuse Committee public hearings held on January 29, 2013, the Planning Department is providing the following information for the upcoming working session. This information is supplemental to staff analysis previously provided at the public hearing.

PETITION #267-11(4) 1294 Centre Street

At the previous meeting of the Real Property Reuse Committee, the Committee commented that they felt it would be valuable to consider this request in the context of the whole block and asked the following questions:

What does the Newton Centre Task Force report say about the block? The Newton Centre Task Force was appointed by Mayor Cohen in 2005 and was charged to "develop viable option to address the commercial, residential, cultural and transportation needs of Newton Centre." The Task Force was comprised of residents, including aldermen, business owners, property owners, planners, architects, landscape architects, and developers. In its final report, issued in July 2008, there was agreement among the participants that there ought to be something better in the center of the Newton Centre Triangle than a parking lot and all agreed that it would be desirable to improve the existing infrastructure, enhance the pedestrian experience, including beautifying the streetscape; however, the groups differed in the extent to which new development should be considered as part of a revitalization effort in the Centre.

One group (Group 1) commented that future development be in keeping with the current character of the Village and recommended that the City "reclaim public buildings for community uses, such as the former branch library [e.g., the 1294 Centre Street property]." The JAPG report echoed this

sentiment by recommending that the 1294 Centre Street building be preserved and at least some portion of it should be used for public and/or community space.

Other Newton Centre Task Force members (Groups Two and Three) made specific recommendations for several areas in the Centre and their recommendations included physical improvements, zone changes, as well as the reuse of publicly-owned land. Chief among their recommendations was to relocate 155 parking spaces from the Triangle Parking Lot to another convenient location in Newton Centre to enable its transformation into an all-season focus for public activity with an active public plaza, as well as a signature building. The Cypress Street Triangle was considered as one such destination on the edge of the business area. In addition to providing needed parking, locating a structure on the periphery of the commercial district will reduce traffic along the main streets that currently results from people driving around in search of parking spaces. It also will discourage parking on neighborhood streets if parking is readily available in a reliable location (p.17). The Group Two/Three assessment recognizes the uniqueness of each block in the Newton Centre; the lot and building sizes and locations demand different criteria for future development. The block containing 1294 Centre Street was identified as a transitional block between the commercial center and the adjacent neighborhoods. The report notes that these parcels may be suited to lower density commercial redevelopment and/or housing. Varied building height of two to four floors are compatible in height to adjacent residential neighborhoods (p.19) and are also allowed either by right or by special permit in the Business 1 zone. The Group also recommended pedestrian passageways and plazas as part of the infill construction in the central blocks of Newton Centre (p.37).

What is the vision for the block in which the former Health Department Building is located? Would this include a land swap for the subject property? The Newton Centre Task Force explored the potential for integrating a parking structure into the Cypress Street Triangle block, which would serve the purposes described above. Given the dimensional constraints of the existing City-owned parking lot, a functional parking structure could not easily be achieved. However, by swapping some land with an adjacent property owner, a properly-sized rectangular parcel could be assembled alongside and over the MBTA tracks, and a private building also could be constructed that would complement existing retail businesses and extend along the frontage of buildings along Cypress Street. To date the land swap discussion has not included any portion of the City-owned property at 1294 Centre Street. Subsequent conversations about this sort of redevelopment potential between City staff and the adjacent property owners (both commercial and residential) have been positive.

Is Business 1 the right zone for this site? The majority of the commerical property in Newton Centre is zoned either Business 1 or Business 2, including the adjacent privately-owned property on this block. The Cypress Street parking lot and the subject property are the only exceptions on this block; both parcels are zoned Public Use and have been used for public purposes, although the Health Department recently relocated its operations to City Hall. The Planning Department believes that the Business 1 zone is appropriate for the subject property because it allows a wide range of uses that will envigorate the neighborhood and are compatible with the existing surrounding uses and zoning. As was done with the Austin Street Parking Lot, pre-zoning this property would provide a level of certainty to prospective buyers or leaseholders as to the potential opportunities it offers, and will also enhance the value of the property when/if it is made available for purchase or lease.

#### The Committee requested more information on the lease vs. sale options.

The JAPG considered three alternative outcomes for the site:

- Maintain City ownership for community use. This would allow the City to retain its historic features, if desired, as well as use it for public purposes; however, the costs to repair building and City's limited funds led the JAPG to reject this alternative.
- Negotiated commercial lease. Leasing the building has three notable advantages: 1) it allows City to retain ownership over a valuable asset that will only become more valuable with time if well-maintained; 2) it allows the City to have larger say in future development of immediate area; and 3) it allows the City to retain the building without investing any monies in preservation or maintenance of the building, although it would command lower rents due to its condition. The Department of Conservation and Recreation (DCR) has successfully leased some of its historic structures; the lesee pays little or no annual rent, but is required to finance all renovation and maintenance work for the life of the long-term lease. If the Board chooses this option, the Planning Department recommends that the lease include specific requirements for an annual report from the lesee showing that the building has been properly maintained. Although a lease arrangement could be structured to satisfy City interests, the JAPG rejected this option, as it did not feel the City is currently well equipped or would want to take on ongoing management and maintenance of the property.
- Sell the property outright. The City would receive income from the sale, there would be little to no up-front or future maintenance costs, and the City would receive ongoing revenues from property taxes that it currently does not receive, which it could invest in priority needs. If the City wishes to have some control of the future use of the site and/or preserve the building in perpetuity, a deed restriction could be placed on the property with the desired specific restrictions, though such a deed restriction will likely depress the selling price. Likewise, the property value will be diminished by the current condition of the building. Prezoning for commercial uses and the promise of more parking nearby could increase its value.

#### RECOMMENDATION

The exploration of potential redevelopment of this block is ongoing. A parking study commissioned by the adjacent property owners is expected to be finalized within the month and the results of which will address the need for additional parking in Newton Centre under various scenarios and its appropriateness in this location. If the Committee wishes to consider the disposition of this property within the greater context of a plan for the block, staff recommends this item be held until staff can return to the Committee with this additional information.

# Department of Planning and Development



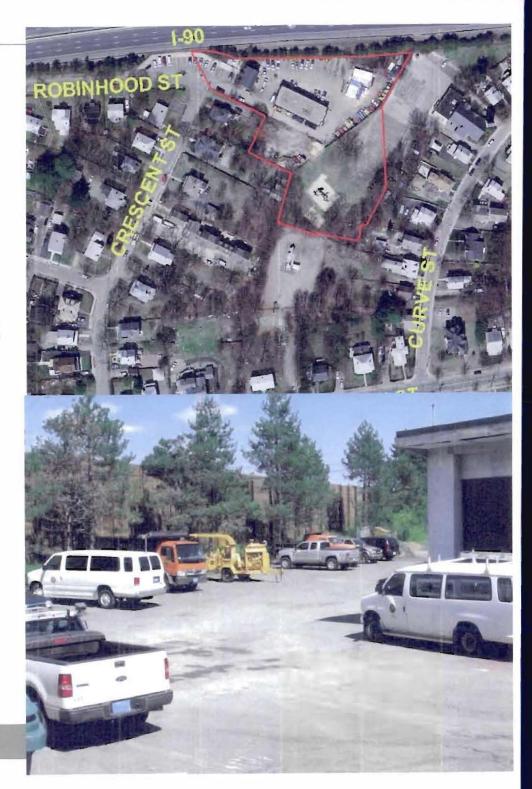
REAL PROPERTY REUSE COMMITTEE

**FEBRUARY 26, 2013** 

**REUSE OF 70 CRESCENT STREET** 

## Site:

- 98,088 square foot lot Zoned Public Use
- Former Parks and Recreation headquarters
- Accessed via Crescent St
   @ intersection of
   Robinhood St
- Mostly paved, 37,000 used as park
- Leaving 62,088 development parcel



## Neighborhood Context:

- Surrounded by predominantly MR1 zoned parcels
- Small area MR2
- Myrtle Baptist Church
- Fenced NSTAR facility



## Process:

- ✓ No City department interested in property
- ✓ JAPG and Planning Department submitted recommendations to RPR
- RPR holds PH and makes recommendation to Board
- Board determines minimum sale or lease price and forwards recommendation to Mayor for appropriate action

## JAPG Report Considerations:

- Provide a long-term tax benefit to the City without overburdening public services
- Contribute to the stock of affordable housing in the City in accordance with the objectives of the 2007 Newton Comprehensive Plan
- Increase the diversity of the housing stock in accordance with the Comp Plan by providing a mix of unit sizes and types
- Maintain the playground as a neighborhood amenity and improve pedestrian and/or vehicular access to the playground from Crescent St.
- Consider the neighborhood context and maintain sensitivity to abutters
- Economic feasibility for prospective developers
- Minimize impact of Turnpike on future residents
- Not more traffic intensive than previous use

## Further Recommendations:

- Rezone site to Multi-Residence 1
- Issue RFP to sell site
- Use site to further goals of Comp Plan and develop site for medium-density housing including significant percentage of affordable housing units (at least 25%)
- Improve access to park

## Density Analysis:

- By-right options very limited, will need special permit
- Could accommodate up to 15 units at MR1,
   consistent with JAPG recommendation for 8-20 units
- MR2 could accommodate up to 30 garden apartments
- Encourage mix of unit sizes and types, multiple lowrise structures, at least 25% affordable units

## Open Space:

- Portion of site not declared surplus and will remain park
- Connectivity of open space should be improved
- Potentially expand street frontage and remove fence to improve access



## **Prior Uses:**

- Contractor's yard for City and private contractors
- Provide potential developers with information on prior uses of site

## Next Steps and Recommendations

- Committee makes recommendations to the full Board
- Board with 2/3
   majority makes
   recommendations
   to the Mayor

## Recommendation:

- Survey property
- Rezone site to Multi-Residence 1
- Set minimum price
- Issue RFP with conditions
- Evaluate potential offers on:
  - enhancing residential character of the neighborhood
  - maximize the tax benefit and land sale proceeds without overburdening City services
  - improve access to existing playground
  - contribute to the stock of affordable housing in the City by designating 25% or more of the units as affordable
- Enter into sale agreement