

PLANNING & DEVELOPMENT BOARD MEETING MINUTES

August 6, 2018



Ruthanne Fuller
Mayor

Barney Heath
Director
Planning & Development

Rachel Powers
CD Programs Manager
Planning & Development

Members

Peter Doeringer, Chair
Barney Heath, *ex officio*
Kelley Brown, Member
Sudha Maheshwari, Member
Jennifer Molinsky, Member
Sonia Parisca, Vice Chair
Chris Steele, Member
Kevin McCormick, Alternate
James Robertson, Alternate

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Full Members Present:

Peter Doeringer, Vice Chair
Kelley Brown, Member
Jennifer Molinsky, Member
Sonia Parisca, Member
Chris Steele, Member
James Robertson, Alternate
Barney Heath, *Ex Officio*

Staff Present:

Rachel Powers, Community Development Programs Manager
Amanda Berman, Housing Development Planner
Kathryn Ellis, Economic Development Director

1. **Minutes from the Planning and Development Board Meeting held on July 9, 2018**
2. **Briefings:**
 - **Zoning Redesign**
 - **Inclusionary Zoning**
 - **Economic Development Action Plan**
 - **Marijuana Establishment Zoning**
 - **Washington Street Vision Plan**
3. **Officer Elections/Designation of Community Preservation Committee Representative**
4. **Board Training**
5. **Fall Schedule**
6. **Next Meetings**

1. **Action Item: Approval of Minutes of July 9, 2018 meeting**

Vice Chair Doeringer opened the meeting at 7:03 p.m. The motion was made by Ms. Parisca and Ms. Molinsky and approved 6-0-1, with Mr. Steele abstaining, as amended by Mr. Doeringer who noted the idea of continued concurrence on a subcommittee option related to joint ZAP and LUC meetings (pg. 6), to approve the minutes of July 9, 2018.

2. **Briefings:**

a. **Inclusionary Zoning-**

Housing Development Planner Amanda Berman provided an overview of the work performed over the past year and a half to strengthen Newton's IZ ordinance, produce additional units and avoid detrimental impacts. The purpose of IZ is to leverage private development in the creation of affordable housing. The policy was codified in 1977, with the current ordinance being adopted in 2003. The ordinance was reviewed as part of the 2016 Housing Strategy, as well as address the increasingly unaffordable housing market.

To develop this proposal, the Department spent time reviewing best practices from across the Boston region. Six major changes had previously been presented to Board, ZAP, FHC and other community stakeholders. On December 11, 2017, ZAP held a public hearing and voted to hold and redocket under the new city council. Further, the committee encouraged the Department to contract with a consultant to review potential implications of the proposed ordinance. In February 2018, City staff engaged consultant RKG to assist in this matter and reworked the proposal based on recommendations outlined in RKG's proposal.

In order to create a stronger and more effective IZ ordinance, 7 total changes were introduced:

- 1) Amend the proposed number of IZ units required across the various tiers, reflecting RKG findings and apply the ordinance to all new residential development, where there is a net increase of 7 or more new dwelling units, rather than 4 new units, as proposed in 2017;
- 2) Institute a "round up and build" methodology rather than requiring fractional payments;
- 3) Allow for cash payments in lieu of proving IZ units on site for projects between 7-9 units utilizing DHCD's QAP Index as basis for payment;

Vice Chair Doeringer asked for clarification on the service area included in DHCD's Qualified Allocation Plan (QAP) index and the year of the index dataset. He believes we may want to consider updating according to construction industry pricing, which would allow for increased revenue and more up-to-date datasets. Mr. Brown asked how often the index gets updated. Ms. Berman clarified that the plan is updated annually, even if the QAP isn't. Dir. Heath noted that RKG encourages the City to err on the "less aggressive" side, so as to prevent projects from not moving forward. Ms. Berman also indicated that Watertown implements their IZ policy according to this methodology. City/NHA breakout.

- 4) Other than projects with 7-9 new units, only allow for payments-in-lieu through the City's Special Permit Process;

Ms. Parisca inquired under which conditions the City would be more apt to prefer a cash payment instead of building an IZ unit. Ms. Berman and Dir. Heath expressed that this provision should actually be a deterrent to not providing an actual IZ unit. The City would have to grant this option to proponents. Ms. Molinsky asked to include language that describes when this should happen, along with a reason reflecting why a development should reasonably seek this option. Funding would be utilized to support future affordable housing units. There may be instances where cash would better assist the City in meeting its future goals.

- 5) Do not require 100% deed-restricted, affordable projects to comply with the “Number of Inclusionary Units Required” section of the ordinance. This provision should encourage the creation of more affordable housing;
- 6) Require that “elder housing with services” projects pay into IZ fund rather than provide beds on site. Staff recommends utilizing a 5% of total beds requirement and the QAP Index for Assisted Living units as the basis for determining the total payment-in-lieu;

Ms. Molinsky questioned the rationale given the need for senior housing.

- 7) Removal of density bonus altogether as it does not provide enough of an incentive to developers.

Vice Chair Doeringer believes the changes are clear and make a lot of sense in that they meet political objectives and are generally more palatable. He also made an additional table, which he distributed to staff and Board Members. Vice Chair Doeringer’s takeaway is that the lowest income/tier 1 group is vastly underserved and least represented, only receiving 13% of the IZ units. The outcomes really depend on the number of large developments coming forth over the course of the year. He’s asking whether alternative tables could be generated which show a larger share of Tier 1 units being developed, without putting additional burden on the developer.

Ms. Berman indicated that RKG ran 7 different scenarios and built a model for the Department to use. The Department also tried to run the model to review other possibilities and alternatives, looking at IRR and NPV to avoid having projects come up in the red. The Department’s proposal represents best efforts to balance creation of affordable units across affordability levels. Tier 1 units are the most expensive to provide. A loss shows up at tier 3 and offering more market-rate could assist; the concept of a density bonus was designed to offset such losses but hasn’t worked thus far.

Vice Chair Doeringer would like an opportunity to review these models. The Department will share these examples with ZAP and the Board. Ms. Molinsky noted that many other municipalities wrestle with this same conundrum. She’s also curious why we’re dropping 4-7 units from cash payment requirements and questions the elder housing. Ms. Berman explained the model wasn’t feasible and that it was typical for municipalities to start the ordinance at 6-7-unit range. She further noted DHCD’s guidelines in terms of quality of units and their distribution. Dir. Heath pointed out that the services provided beyond IZ beds in assisted living developments provides a conflict. The Department has spent a lot of time reviewing the matter and there hasn’t been a great way to account for those costs. Ms. Molinsky would like to see developments similar to those built by JCHE being developed and wants to make sure that the ordinance is prepared to capture the need for elderly medical supports. Many communities do not have such provisions. After reviewed the Sunrise Development project that came through the City Council last year, removing the provision seemed to better a more strategic use of resources.

Medicaid covers nursing home, but not assisted-living units. It is hugely regulated and big distinction from assisted-living. Assisted-living is more like rental housing with “help” with daily living. Mr. Brown complemented the efforts of staff to perform so much analysis, which is not always typical of communities. The City is seeking to develop a feasible policy to ensure continued creation of affordable housing.

b. Economic Development Strategy-

Economic Development Director Kathryn Ellis introduced herself and described the City Council’s decision to fund the development of an Economic Development Strategy and process of selecting the consultant and overview of the work performed. Now seven months into the process, 3 public meetings have been held and there are ongoing internal meetings. The process has included input from many stakeholders and businesses. Newton has seen a shift/loss in businesses due to TIF incentives being available in other communities. A swat analysis was the first step in understanding these conditions. Camoin Associates were the consultants selected; they came in under budget. Newton’s goal is to raise the commercial tax base from 8%. Camoin Associates identified key areas, demographic findings, challenges, right mixes and recommendations for moving forward.

Ms. Ellis outlined the next priority steps and objectives. Camoin Associates honed-in on the opportunity for Newton in biotech, directly competing with Cambridge and seaport, but noted a lack of class A space in Newton. There is a robust rental market for lab space. Medical space will also be important as residents age-in-space.

There’s opportunity in the hotel sector and shared economies (bikes, cars, etc) to make Newton commercially successful. Camoin Associates is also reviewing educational facilities, particularly with the Mount Ida acquisition and Boston College expansion.

Newton seeks to stabilize innovation companies coming online, work on attracting the right companies and market itself as a good community to do business in. To accomplish this, the City will need to increase office space in village centers to allow for access to public transportation and community amenities and marketing to targeted industries.

Mr. Steele provided an example of a situation that occurred in Marlborough as a result of the last recession and emphasized why it’s so critical to pay attention to commercial/industrial side. He inquired what role would P & D would play in the economic development process. Ms. Ellis indicated that the City must be champions in promoting the right sort of developer. Existing proposals include a lot of retail, but should we also consider maker spaces, lab space, etc. As a City we need to spread a message of opportunity costs and develop simpler land use processes (ex. Food truck Ordinance allowing food trucks by right at Wells Ave.)

Vice Chair Doeringer recommended discussing further at a separate session. He was surprised that commercial tax rates are lower than in surrounding communities and wondered whether the extent of tax incentives are likely to be a strong lever. Mr. Steele

referenced the GASB 77 incentive and recommends a longer conversation be held at a later point.

Ms. Molinsky asked if hotels were still required to follow IZ. Staff and member of the Board indicated they were no longer subject to IZ.

c. Recreational Marijuana-

Dir. Heath reintroduced the topic of recreational marijuana. Three separate conversations have occurred at this point, apart from the ballot initiative. The City is scheduled to have 8 marijuana establishments; a zoning map has been prepared to align with this. Marijuana establishments include medical, cultivation, retail, testing, research and manufacturing. Zoning must be provided for all uses. The map shows where these uses will be allowed:

1. Retail is dispersed throughout the BU 2, 4,5 and MU-1 zones. It was not conducive to the vitality the city would like to city in city centers.
2. Research facilities, cultivation and testing labs would be limited to manufacturing and industrial zones.

Dir. Heath described recommended buffering requirements. Vice Chair Doeringer and Mr. Robertson asked for clarification on the buffering on this.

Facilities can't locate in a building with residential units and requires police approval of security plan. There must also be a plan for conserving energy. Dir. Heath also outlined special permit requirements, noting criteria for medical marijuana facilities. A public hearing is planned in September with ZAP.

Mr. Brown asked why a special permit would be required instead of setting rules now; what is the variability that is being accounted for? Dir. Heath indicated it was the newness and unfamiliarity. The City will review impacts over the next several years.

Ms. Molinsky is comforted by ½ mile buffer requirement. At first look, a lot is clustered around Adams street, but is concerned about equity concerns. She would like to see the shops more dispersed. Vice Chair Doeringer inquired if a business could set up shop within a 500-foot buffer zone of another facility in an adjoining community.

Dir. Heath noted there was significant tax revenue to be gained but referenced several ballot measures that will be at play.

d. Washington Street Vision Plan

Dir. Heath presented a follow up from the Washington Street Charrette. He summarized the week's engagement efforts and topics covered, outlining Big ideas resulting from the event. He described several value options and the arising benefits from actions such as an increase in density. Points of tension were acknowledged, and additional conversation is critical.

Several examples were highlighted that would create affordable living opportunities for the missing middle. Parking and character were also important topics. The Captain Ryan Park also got a lot of attention.

A Vision Plan is expected in October; Principle Group will spend the rest of the year refining the draft and will go back in front of the City Council in the spring. An open house is planned for October 29th to review the first draft.

Ms. Parisca attended many Washington Street sessions and thought it was a great idea to bring a third-party consultant on board. They had a great start and are introducing major urban concepts. Vice Chair Doeringer was struck by the photograph of Washington Street and an experience traveling through a mall with open, green space. As part of anticipated developments, could the City get more public space? A grassy mall can change the feel of an area.

e. Zoning Redesign-

Dir. Heath reintroduced zoning redesign and a draft map of proposed zoning districts. He described the breakout of residential zones, special districts including the addition of special residential (single-purpose projects), golf courses, incorporation of a fabrication (formerly manufacturing) district, to allow for more uses, and campuses. The zoning map is based on what exists today. Efforts similar to those taken on Washington street will be undertaken to reflect a map and vision plan.

In the preference survey on training, zoning redesign was the chief selection. Dir. Heath suggested bringing in staff Mr. Freas and Ms. Nadkarni during the October Planning and Development Board meeting. He further described proposed residential districts, including elements of form-based code; introduction of neighborhood general zone; and a new “multi-unit” court-style development.

Meetings with Ward Councilors are planned to discuss the proposed changes in detail, as well as hold additional public forums, in the fall.

Vice chair inquired about unanticipated inquiries. Dir. Heath indicated that they’re not proposing zones inconsistent with existing context. Ms. Parisca curious about implementation of Washington Street vision coincident with zoning redesign.

3. Officer Elections/ Designation of Community Preservation Committee Representative

Vice Chair Doeringer solicited the election of two officers, Chair and Vice Chair, and Community Preservation Committee Representative. He initiated discussion, asking for volunteers for the CPC representative position, to which Ms. Molinsky volunteered.

Vice Chair Doeringer made the motion to formally approve and designate Jennifer Molinsky as the Community Preservation Committee Representative, with Mr. Steel seconding and unanimously passed 7-0-0.

Vice Chair Doeringer then called for nominations for the position of Chair. Mr. Steele nominated Peter Doeringer for the position of Chair and made the motion to formally elect Vice Chair Doeringer as Chair of the Planning and Development Board. The motion was seconded by Ms. Parisca and passed 7-0-0.

Vice Chair Doeringer then called for nominations for Vice Chair. Ms. Molinsky nominated Ms. Parisca for the position of Vice Chair and made the motion to formally elect Ms. Parisca as Vice Chair of the Planning and Development Board. The motion was seconded by Mr. Steele and passed 7-0-0.

4. Board Training-

The training preference poll indicated that “Zoning Redesign” and “How to Hold a Public Meeting” were the Board’s primary choices.

5. Fall Schedule-

In anticipation of upcoming zoning conversations, Dir. Heath introduced the fall meeting schedule. He reminded the Board that a policy was instituted last year involving the Planning Board being present at an initial joint public hearing, and subsequently following a “subcommittee” model. Vice Chair Doeringer also noted that another option for the Board is to hold a matter open until the next regularly scheduled Planning and Development Board meeting.

Dir. Heath also notified the Board of other meetings of interest. A new business line item will be added in the future.

Staff indicated that the Farewell Avenue mylars were ready for signature. Vice Chair Doeringer noted comments, clarifications and adjustments made to HOA trust documents.

6. Action Item: Adjournment

Upon a motion by Mr. Steele, seconded by Ms. Parisca, and unanimously passed 7-0-0, the meeting was adjourned at 9:04p.m.