



Ruthanne Fuller
Mayor

Barney Heath
Director
Planning & Development

Rachel Powers
CD and HOME
Program Manager
Planning & Development

Members

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

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CITY OF NEWTON

Planning and Development Board

AGENDA

DATE: **Monday, November 5, 2018**
TIME: **7:00 p.m.**
PLACE: **Newton City Hall, Room 204**

1. **Minutes:** Approve Minutes from October 1, 2018
2. **Washington Street Vision and Zoning Presentation**
3. **Subcommittee/Planning Schedule and Strategy**
4. **Northland Public Hearing** – Continued from September 25th Land Use Hearing
5. **Upcoming Meetings:**
 - Monday, November 5, 2018 at 7:00PM in Room 204, Regular Planning & Development Board Meeting
 - Tuesday, November 13, 2018 at 7:00PM, in the Council Chambers, Joint LUC/Planning & Development Board Hearing- *Site Design and Open Space*
 - Wednesday, November 14, 2018 at 7:00PM in Room 205, Joint ZAP/Planning & Development Board Hearing- *Inclusionary Zoning*
 - Monday, December 3, 2018 at 7:00PM in Room 204, Regular Planning & Development Board Meeting

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: jfairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

PLANNING & DEVELOPMENT BOARD MEETING MINUTES

October 1, 2018



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Full Members Present:

Peter Doeringer, Chair
Kelley Brown, Member
Jennifer Molinsky, Member
Sudha Maheshwari, Member
Sonia Parisca, Vice Chair
Kevin McCormick, Acting Member for October Meeting
Jim Robertson, Alternate
Barney Heath, *Ex Officio*

Staff Present:

Rachel Powers, Community Development and HOME Program Manager
Alice Ingerson, Community Preservation Manager

- 1. Minutes from the Planning and Development Board Meeting held on September 27, 2018**
- 2. Zoning Redesign Presentation**
- 3. Substantial Amendment/Vote: 236 Auburn Street – CAN-DO/MetroWest**
- 4. Substantial Amendment/Vote: Haywood House-NHA**
- 5. Northland Public Hearing – Continued from September 25th Land Use Hearing**

1. Action Item: Approval of Minutes of Sept 17, 2018 meeting

Chair Doeringer opened the meeting at 7:01 p.m. The motion was made by Mr. Brown and Mr. McCormick and approved 7-0-0, as amended by Ms. Maheshwari, to approve the minutes of Sept 17, 2018.

2. Zoning Redesign Presentation

Dir. Heath introduced James Freas and Rachel Nadkarni, who have been the primary staff involved on Zoning Redesign. Both Mr. Freas and Ms. Nadkarni presented the work conducted by the Principal Group and the resulting draft Zoning map and districts; they also introduced the proposed role of the Planning and Development Board if the revised ordinance passes.

Zoning Redesign is ultimately the rewrite of the existing Zoning Ordinance. Mr. Freas went through a brief history of zoning reform in Newton and indicated the draft ordinance would be presented to ZAP on 10/22/18. The new ordinance should be easier to use in comparison with the existing ordinance and more cohesive with the built environment. Common themes throughout its progression included streamlining the special permitting process, protecting neighborhood character and scale and creating more housing opportunities. In order to achieve these elements, a Context-Based Ordinance needed to be developed. A Context-Based Ordinance requires breaking the lot size/building size relationship and addressing scale and building placement; overall it does represent a better baseline as a starting point to

the future. Currently, the size of a lot determines the size of a building, but there are irregular lots all over the City due to them being created before the advent of zoning. Efforts behind the Pattern Book provided the data with which to build regulations around the existing context of the City. The Pattern Book resulted in a comprehensive map that revealed that 87% of the City is non-conforming; neighborhoods jump up to 95% non-conforming.

The first draft of the new zoning map presents two types of districts: *context-based districts* that represent the vast majority of the City's land area and *non-context-based districts* that represent very specific uses that otherwise do not fit in with the patterns of a surrounding neighborhood. It comprises a total of 14 zoning districts, including 7 context-based and 7 single purpose districts.

Mr. Freas discussed the residential building types allowed under the revised ordinance. The *Residential 1 District* represents the largest housing and lot sizes in the City. Lot Size standards and set backs will be defined in the new ordinance. Building standards will also be defined in a way that promotes context-based outcomes. The ordinance will not deal with aesthetics. *Residential 2* is most common district in the City, representing a typical suburban neighborhood. *Residential 3* allows smaller multifamily sized structures, including triple-deckers and duplexes. The *Neighborhood General District* transitions from residential neighborhoods to Village Centers. It allows the widest range of building types and mixed-uses, while maintaining compatibility with single-family neighborhoods. The Multi-Building Court is a newer style development and use, not currently allowed, but would introduce moderate density. It enables small groupings of dwellings on a smaller foot print with shared frontage and common space. The *Village 1 District*, representing villages like Waban, Newton Highlands, is the smallest scale village, allowing up to three-stories. The *Village 2 District*, representing Newtonville, West Newton, and Newton Center will provide opportunities to scale up. The *Village 3 District* is the largest scale village center, representing Newton Corner. Transitions have been built in to the village districts that scale down development from village centers to low density neighborhoods, from highest density to lowest.

Discussion shifted to single-use districts. The *Recreation District* will primarily include golf courses. *Fabrication* is a new district, representing modernized manufacturing. The *Non-contextual/ Special Residential District* includes townhouses and apartment towers and is made up of large multifamily development. The *Regional Retail District* includes regional destination shopping centers. The *Public Use District* is comprised of City-owned properties. The *Office District*, similar to regional retail, include standalone office buildings, like those at Wells Avenue. The *Campus/Institutional District* will apply to university and hospital campuses. These institutions will involve a special review process versus a "special permit."

Chair Doeringer inquired whether the idea driving the ordinance change is that two abutting zones should have transitory elements separating the districts and activity types. Mr. Freas noted that the attempt has been made to transition naturally and more gradually from residential to higher scale, village center densities. Ms. Nadkarni explained that the Needham Street Vision Plan is an example of consideration of such transitions and where they would take place. This should promote compatibility with surrounding neighborhoods. Chair Doeringer agreed that these transitions are desirable and a good target goal, but wondered if there was room for creativity and/or building it formally into the ordinance? Special permits seem to be one mechanism for this. Mr. Freas expressed that there are

creative options, and much is left to the design of an individual project; there is apprehension to put a mandate on an approach however.

Ms. Molinsky also had several questions, inquiring how non-traditional building types would be cross-referenced with the standards outlined in the ordinance and whether any proposals would be put forward that would allow any multi-family without a special permit. Mr. Freas confirmed that building types would be tied to the most applicable criteria and that such proposals on multifamily development would be presented.

Vice Chair Parisca asked how historic homes would be treated as part of the ordinance. Mr. Freas indicated that this is not an element addressed in the new zoning ordinance; this is handled through historic districts and demolition delay. The new ordinance may help with the demolition problem however. Vice Chair Parisca further inquired about the path from nonconforming to conforming and the extent of conformity with the proposed zone changes. Mr. Freas explained the new ordinance would not eliminate all non-conformity, but it would be greatly reduced.

Mr. Freas shifted conversation to the decision-making process. Some projects can be completed by-right, while others require special approval. Discretionary processes include Comprehensive Permitting (40B's), special permitting, and variances. The current process is a one-size fits all approach. Mr. Freas examined how other cities treat these matters in comparison. The proposed redesign of the zoning ordinance will reduce nonconformity, the number of special permits and will even allow small projects by-right with clear guidelines in certain districts. Processes will tailor decision-making between the Planning and Development Board and City Council. The Planning and Development Board would be the Special Permitting Granting Agency (SPGA) for mid-range projects (12 to 20-unit projects) and commercial projects up to 20K s.f., thus freeing up City Council for larger matters. Additionally, the City would formalize the design review process with the Urban Design Commission for larger projects. The ordinance would also provide general guidance for community meetings. Generally, these changes aim to create a clear process and criteria.

Following the presentation, Mr. Freas opened the forum up for conversation. Chair Doeringer questioned how consistency, that with original plans and macro-consistency between separate special permits, was going to be treated over time. Mr. Freas explained that part of the goal of introducing more specific criteria, was to bring a degree of consistency and ensuring a predictable process between like projects. This is a balance as each project is unique. Ms. Molinsky liked that the ordinance would address conditional uses, which increases the probability of consistency and offers more guidance to the applicant. Mr. Brown asked how many projects would fall to the P & D Board under the proposed ordinance. This has not been examined. Non-conforming uses currently make up a third of special permit activity. Case law indicates that you can't make everything by special permit, you need some development allowed by-right.

Ms. Maheshwari asked where the ordinance stood in terms of adoption and the subsequent process. Mr. Freas explained that the Board is invited to the October 22nd ZAP meeting where the ordinance will be discussed; however, the ordinance will be discussed over an extensive review period and be at least a year before foreseeable adoption. Logistics will still need to be worked out as far as how the P & D Board will interface with the process; whether the Board pursues a subcommittee option in conjunction

with ZAP or if Mr. Freas and Ms. Nadkarni visit the Board at regular meetings. He anticipates a second draft will be developed in May 2019.

Mr. Robertson noted that Zoning Redesign has been an extremely thoughtful process but wondered how flexible the ordinance would be to amend should problems arise. Mr. Freas explained that this is not Newton's final zoning ordinance. There is also a process by which non-emergency items are amended annually.

Ms. Maheshwari asked for further clarification on how historic districts would be handled. Mr. Freas indicated that historic districts are largely separate from zoning in Massachusetts. Chair Doeringer inquired as to whether planning boards in other communities were elected or appointed; Mr. Freas believed that board members are generally elected in small communities or towns and appointed in Cities.

3. Substantial Amendment/Vote: 236 Auburn Street – CAN-DO/MetroWest

Jennifer Van Campen, representing CAN-DO/MetroWest CD, discussed the process of selecting a General Contractor (GC) and refining the 236 Auburn Street budget. Overall, the project is approximately \$400,000 over what the initial estimates. Original estimates are more than 2 years old. While the price of the modular units has come down, the price of site work has gone up. Site work includes excavation and foundations. Plumbing is also incredibly expensive. There is not a GMP as of today, but CAN-DO/MetroWest CD is still in the process of refining the budget, value engineering where possible and allocating costs across the three buildings. Ms. Van Campen is confident in being able to deliver the proposed project with the revised budget. If the Board didn't approve the request for increased funds, a much more challenging value engineering exercise would need to take place.

Ms. Van Campen met with Historic Staff last week, which provided some options for saving. They are also exploring building partial basements versus full basements. Vice Chair Parisca asked the impacts of further delays and what they would cost the project. While the organization would earn their overhead, the developer fee would be on the table. The advantage of not digging into a significant VE process allows CAN-DO/MetroWest CD to move forward with the existing plans. Major changes could trigger amendments to the Comprehensive Permit and further delay the project. Mr. Brown asked how long the GMP could be held if construction isn't started? Ms. Van Campen sees no reason for delay relative to signing a GMP and beginning construction immediately. The GC has been asked to proceed with the building permit application parallel to executing the GMP.

Chair Doeringer questioned changes to the CAN-DO/MetroWest CD Board structure. Ms. Van Campen responded with changes in the affiliation of CAN-DO and MetroWest CD, which is no longer bound by single board. The disaffiliation occurred in June 2018. However, Ms. Van Campen continues to serve as Executive Director of both organizations, with CAN-DO once again becoming a stand-alone entity. There were inherent challenges in the CAN-DO business model, particularly with investing in the portfolio in the long-term. The problem stems from projects barely breaking even from both the development and operating perspectives. There are no reserves after 20 years of operation; often proper reserves weren't built into development budgets and operating budgets were on a shoe string resulting in no accumulation over time. After the merger, MetroWest CD took efforts to evaluate the CAN-DO portfolio to address this issue, however the CAN-DO Board were not willing to undertake recommendations. This led to the disaffiliation, but Ms. Van Campen remains committed and contractually bound to complete

the project. Ms. Powers reminded the Board about the Development Agreement executed to protect 236 Auburn Street, as it requires MetroWest CD to see the project through completion. It was noted, however, that MetroWest CD does not maintain an ownership stake in the property. The property and development fee go completely to CAN-DO. Ms. Van Campen also added that in recent years some of issues relative to insufficient reserves and development budgets have been addressed, with projects that have been better funded, reserve requirements, improved cash flows and reductions in debt. Problems largely stem from the beginning portfolio projects.

Ms. Molinsky inquired into the project's affordability provisions; Ms. Powers indicated that affordability will be held in perpetuity. Ms. Molinsky also asked about the operating costs and property's stability going forward, and how tenancies are protected. Ms. Powers reminded the Board about the cash flow cushion on this particular project. Chair Doeringer wondered if this project was insulated from the rest of the CAN-DO portfolio; Ms. Van Campen responded that it was not. The Comprehensive Permit stands as a single project with affordable housing provisions in place. There are still some complicated legal questions. The existing portfolio has different requirements across 12 properties. Mr. Brown wondered if underwriting addresses and requires a replacement reserve and what the policy has been. Community Preservation Manager, Ms. Ingerson, spoke to this, indicating that during her 11-year tenure a 10-year operating budget and projections showing at least a 3% annual increase were required. Several of CAN-DO's projects are older than that. Grant agreements require that agencies consult the City on use and budgetary changes. Chances of this housing becoming anything other than affordable housing is miniscule. Mr. Brown expressed concern over insufficient reserves being available to maintain properties. Ms. Ingerson confirmed that replacement and operating reserves are now required. CAN-DO have not historically had both, though Ms. Van Campen noted that MetroWest CD requires both a replacement and operating reserve. A 6-month operating reserve is capitalized at the development stage.

Mr. Brown asked whether the City maintains a first right of refusal on assisted properties. Ms. Powers indicated that this is now commonplace but will double check the affordable housing covenant. Dir. Heath added that all affordable housing projects have tight margins, but the City continually seeks to make these projects sustainable. Mr. Robertson inquired about expenditures to date; approximately \$1.2M has been spent altogether on acquisition and project soft costs. Ms. Van Campen spoke to the previous year's CPC process and her confidence in the viability of the project. Additional questions hinged on the future of the CAN-DO portfolio, and while Ms. Van Campen is not able to speak for the Board's long-term plan, she is committed to supporting them and preserving the affordable units.

Chair Doeringer noted that other funders are not contributing to the project's shortfall and Ms. Powers responded that much of this is due to the project's time constraints.

Upon a motion by Chair Doeringer, seconded by Ms. Molinsky, with Mr. McCormick voting as an alternate and Dir. Heath abstaining, and passed 7-0-1, CAN-DO/Metro West's request for an additional \$437,310 in a combination of CDBG and HOME funds for 236 Auburn Street was approved.

Prior to moving on, Ms. Power ran through the project's revised total Sources and Uses and nuances with the funding request and the WestMetro HOME Consortium RFP process.

4. Substantial Amendment/Vote: Haywood House – NHA

Amy Zarechian, Executive Director of the Newton Housing Authority, introduced the Haywood House project to the Planning and Development Board. She spoke to the mission and history of the Newton

Housing Authority, as well as outlined the Haywood House site and project summary. The project will include 55 one-bedroom units, including 32 that will be designated for low-to-moderate income seniors with incomes at or below 60% of AMI. Eleven of these units will be occupied by households with incomes at 30% of AMI or below. In addition, 23 of the units will be designated for residents with income between 80% and 99% of AMI. The NHA's proposed developer fee is slated to be invested into expanding resident services. A 70% local preference will be utilized. Three units will be fully-accessible, but all units will be adaptable. Further, 4 units will be set aside for homeless and formerly homeless individuals. The site plan also described current and proposed parking; 25 spots are maintained, and 22 new spots will be added.

The development team is comprised of the NHA Staff and Board, with help from consultants Housing Partners. The NHA sought to keep development local and for finished building to be the centerpiece of their Resident Services Program. The NHA is seeking CDBG for site improvements. They will also be adding landscaping, trees, exterior furnishings, maintaining pathways and mitigating the stormwater system. The new facility will host a new community space that will be available and accessible to all NHA residents. Site plans aim at creating a more passive park style than what was shown in original presentations. She presented the facility's amenities and extension of laundry facilities.

She outlined the site conditions contributing to the project's high costs and the proposed Sources and Uses. There has been extensive community engagement and neighborhood support for the project. She provided an overview of the CPC and ZBA public processes. Over 100 individuals signed a petition in support. The NHA have incorporated various changes based on community feedback. The need is prevalent for seniors at these affordability levels. Ms. Zarechian also described the upcoming State LIHTC funding round and anticipated timeline.

Ms. Molinsky is intrigued by the planned services and asked Ms. Zarechian to expand on her presentation, as well as describe transportation options. Ms. Zarechian explained that the NHA seeks to expand social services, hire an additional social worker, conduct more case management and host more events at the site. The NHA also hopes to partner with the Newton Senior Center and other non-profits. Additionally, the NHA will subsidize transportation passes and regularly partners with the Senior Center to host senior trips.

Mr. Brown asked how often the NHA engages in this type of development; Ms. Zarechian indicated that this is the first project of this type that they're undertaking. Mr. Brown also inquired into the number of family units the NHA has; they have 90 units through the state program. Mr. Robertson emphasized the benefit of the NHA's plan, which leverages many resources and utilizes a new development model.

Ms. Powers noted that this was the first time a project proponent has ever sought a pre-commitment of future CDBG funds. This support is necessary in the NHA's application for LIHTC funds. CDBG Funding would be conditioned upon an award of State funds and could not be committed until then. The Division anticipates awarding funds in Spring 2019 for FY20 so that funds are available immediately upon award. Generally, the City receives a total of \$1.7M in CDBG funds and approximately 60% is allocated toward affordable housing.

In closing, Chair Doeringer noted the project's limited risks in pre-approving and reiterated the high rate of leveraging.

Upon a motion by Mr. Brown, seconded by Vice Chair Parisca, with Mr. McCormick voting as an alternate, and Dir. Heath abstaining, and passed 7-0-1, NHA's request for a pre-commitment of \$625,000 in FY20 CDBG funds for Haywood House was approved.

Ms. Powers highlighted the conditions of the pre-commitment, and that a breakdown of site development costs would be an additional requirement.

5. Northland Public Hearing-

Dir. Heath noted that the public hearing on the Northland Project was opened at LUC and would be kept on the agenda to be consistent. He inquired if the Board would like project proponents to come in to discuss zoning at one of the regularly planned meetings. There will be a series of about 6 meetings with LUC; and currently zoning isn't isolated as a topic of discussion. The Board consensus was that they would like Northland to come in and discuss zoning. The board can close hearing and vote at any time.

Chair Doeringer thinks it's important to be a part of the LUC process, even if not all members can come. The Board can still decide which meetings they wish to attend and exercise the subcommittee option. Mr. Robertson finds participation to be critical and believes at least 4, a quorum, should attend each meeting. Mr. Brown asked for the proposed schedule.

Vice Chair Parisca asked if we have to hold the meeting on our agendas. Dir. Heath confirmed that we did as long as the matter is open, but believes it's up to the Chair whether or not to take public comment. Mr. Brown noted that he's seen other communities close "public testimony" during similar hearings.

Chair Doeringer requested the schedule of topics, so members could sign up for meetings and the Board had a better idea of coverage and whether or not they want to close with LUC.

6. Next Meetings-

The next joint LUC meeting is scheduled for November 13, 2018; the covered topic will be Site Design and Open Space.

7. Action Item: Adjournment

Upon a motion by Mr. McCormick, seconded by Vice Chair Parisca, and unanimously passed 7-0-0, the meeting was adjourned at 8:54 p.m.