



Ruthanne Fuller
Mayor

Barney S. Heath
Director
Planning & Development
Devra G. Bailin
Director Economic
Development

Commissioners
Philip Plottel, Chair
Jean Wood, Vice Chair
Debra Jackson, Secretary

Howard Barnstone
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CITY OF NEWTON, MASSACHUSETTS

Economic Development Commission

MEMORANDUM

Date: February 18, 2020

To: Honorable Mayor Ruthanne Fuller
Honorable City Council

From: Philip Plottel, Current Chair, Economic Development
Commission (February 10, 2019)
Joyce Plotkin, Immediate Past Chair, Economic Development
Commission (January 2019-February 10, 2020)
Barney Heath, Director of Planning & Development
Devra G. Bailin, Economic Development Director

Subject: Economic Development Commission 2019 Annual Report

On behalf of the members of the Economic Development Commission,
we are pleased to submit the 2019 Annual Report.

ECONOMIC DEVELOPMENT COMMISSION
2019 ANNUAL REPORT

Submitted February 18, 2020

I. Background: Role of the Economic Development Commission

The Economic Development Commission (EDC) consisting of 15 members appointed by the Mayor, was established under General Laws Chapter 40, Section 8A to promote and develop business and industry within the City of Newton. The Commission is charged with strengthening the local economy, leading to new job opportunities for residents and expansion of the City's tax base. City Ordinance Article V, Section 22.95 lays out the governing provisions as summarized below:

The Commission has the power and duty to:

1. Study, investigate and apprise economic conditions and trends;
2. Promote, assist, and encourage the preservation, development and location of new and existing Newton industry, business and commerce;
3. Investigate and assist in the establishment of commercial projects and identify appropriate commercial areas and zones for such establishment;
4. Prepare and distribute informational publications;
5. Cooperate with civic agencies/ commissions/ associations, state/federal agencies, municipal departments and officials, and business associations and organizations; and
6. Advise and make recommendations to appropriate officials, agencies, boards, department, and commissions of the City.

This report is prepared and submitted to the City Council in compliance with City Ordinance Article V, Section 22.95 (g) (10).

II. 2019 in Review

During 2019, the Economic Development Commission undertook the following activities:

A. Support for Public-Private Partnerships

1. Newton Innovation Center

Although the EDC has continued to support the Newton Innovation Center (NIC), which is in a city-owned building at 124 Vernon Street, the NIC had outgrown its current space and was deemed no longer viable at that location. After efforts on the part of the City, the Cambridge Innovation Center, and the Newton-Needham Regional Chamber to identify a new location proved unsuccessful, a decision was made to close the facility on March 1, 2020.

2. N² Innovation District

The EDC continues to support this partnership between the City of Newton and the Town of Needham. The N² District encompasses a 500-acre area including the Wells Office Park in Newton, Founders Park in Needham, and the commercial corridor along Needham Street. N² is focused on branding, marketing, transportation, workforce housing options, advocacy for infrastructure improvements, promoting the increase of amenities, and community building for the innovation ecosystem through networking and programming. The Task Force is currently developing a new set of priorities for the next phase, including the International Subcommittee's efforts to attract international companies and improve the connections to natural resources, especially the Charles River.

B. Key Business Initiatives

1. Major Development Proposals

Throughout 2019, the EDC spent considerable time in actively engaging in the review of developers' projects with a focus on the potential increased commercial tax review, new business investment in Newton, and other economic development priorities. The EDC monthly meetings included updates from the Planning Director on major pending or proposed projects so

the Commissioners could be kept up to speed on developments. Much of the work of the EDC dealt with the following major projects, which represented two of the largest projects to come before the City in decades.

- a. **Northland Street Project:** The EDC conducted multiple meetings about the project and provided extensive comments, feedback, analysis and recommendations. The EDC provided specific comments both supporting the project and enumerating concerns. The EDC issued a formal letter in 2019 detailing its deliberations regarding the project, a copy of which is attached to this report. The zoning and special permit for the Northland project were approved by the City Council in December of 2019.
- b. **Riverside Development:** The EDC also conducted multiple meetings with Mark Development about their proposal for the Riverside MBTA site and conducted extensive review of the project, especially in regard to the fiscal impacts and benefits of its varied iterations. A formal presentation of the project by Mark Development occurred after the City Council approved the zoning for the project in December of 2019. The EDC intends to formalize its evaluation of this project in 2020. (Note: The EDC was involved in the development of this site since 2006.)

2. Economic Development Strategy

The EDC supported the Planning Department's request to the City Council for funding to undertake a comprehensive Economic Development Strategy for the City. EDC Chair Joyce Plotkin and other Commission members were involved throughout the process, including public outreach, attending meetings with stakeholders, participating in numerous Zoning and Planning Committee and City Council meetings to advocate in favor of the 130-page comprehensive plan. The Plan was formerly adopted by the City Council in early 2019. The City achieved one of the goals of that Plan by adding an economic development-based website developed by Localintel onto the City website, providing economic information and tools for businesses and investors.

3. Zoning Redesign

The EDC devoted several Commission meetings to working with the Planning Department to review the proposed zoning regulations and ensure that they contain meaningful improvements to support economic development and the business community. Major topics of discussion included reduced parking requirements, revised and simplified signage requirements, more

efficient and flexible permitting and review procedures, support for diverse housing options, improved manufacturing districts, and advocacy for such uses as co-working space and the arts.

4. Co-working Lab Space

The EDC created a Life Sciences Subcommittee that explored ways to increase the number of life sciences companies and the amount of life sciences co-working lab space within the City.

Members met with developers of both Riverside and Northland to encourage them to consider the economic benefits of providing co-working lab space. Discussions were also held with a Newton biotech entrepreneur to encourage him to increase the amount of extra lab space he rented to other entrepreneurs not interested in paying the high rents in Cambridge. After creating a compelling business plan and raising new funding from his investors, he doubled the amount of co-working space available to rent. The ribbon cutting with the Mayor took place in early 2019.

C. Ongoing EDC Projects

1. Wells Ave

Based on a Vision for Wells Ave prepared by the Planning Department and on-going work with the N² Innovation District, the EDC has participated in efforts to update the Wells Avenue Office Park, working with the various property owners there. Discussions have focused on such topics as an improved entranceway, new signage, infrastructure improvements (roads, sidewalks, and landscaping), second means of access/egress, additional transportation options such as shuttles and bike shares, and the introduction of food trucks. Work is underway to develop new signage at the entrance to the office park and on the electrical boxes, consistent with the N2 branding. Together with the City, the EDC is supportive of creating new shuttle service to Wells Avenue. The EDC also promotes the redesign of the Wells Ave/Nahanton Street intersection as well as improved pedestrian crossings.

2. Austin Street, Newtonville

The EDC was an early supporter of this project in 2007 which was built on City-owned land. Construction commenced in March of 2018. The building consists of 68 modular units, including

23 affordable residences and 4,500 square feet of retail space. The EDC has tracked the progress of this project and offered suggestions on business engagement. The project officially opened in 2019.

D. Organizational

1. EDC Officers

- In February 2020, for a term starting February 10, 2020, The Commission elected:
 - Mr. Philip Plottel, EDC Chair,
 - Dr. Jean Wood, PhD, Vice Chair,
 - Ms. Debora Jackson, Secretary
- In February 2019 for a one-year term The Commission elected:
 - Ms. Joyce Plotkin, EDC Chair,
 - Mr. Philip Plottel, Vice Chair,
 - Dr. Jean Wood, PhD, Secretary
- In February 2018 for a one-year term The Commission elected:
 - Ms. Joyce Plotkin, EDC Chair,
 - Mr. Rob Finkel, Vice Chair,
 - Mr. Chuck Tanowitz, Secretary

2. Recruitment of new EDC Members

When Ms. Jane Ives' term expired in late 2019, she was the EDC's longest serving member and the EDC is grateful for her input and years of service. The EDC welcomed Marcela Merino as a new member in December 2019.

3. Economic Development Director

Kathryn Ellis resigned in July of 2019. The EDC is pleased to welcome Devra Bailin, who started on September 30, 2019.

III. Priorities for 2020

The Economic Development Commission has identified the following priorities for the upcoming year: -

1. Increasing engagement with the Mayor and City Councilors to advocate for expanding the City's commercial tax base.
2. Identifying a more activist role in implementing recommendations from the Economic Development Strategy including greater advocacy on economic issues and exploration of economic benefits resulting from the opening of UMass Amherst at Mount Ida.
3. Continuing to engage with commercial developers to encourage alignment with the City's Economic Development Action Plan.
4. Advocating for the needs of businesses in the zoning redesign process.
5. Attracting life sciences companies to the City and helping to move the City to the Platinum Level of readiness, according to Mass Biotech Council standards.
6. Increasing direct interactions with the business community.
7. Making Newton an easier place to do business by proposing/advocating changes to rules, regulations and processes.

IV. Economic Development Commission Members for 2019

Joyce Plotkin (Chair)

Philip Plottel (Vice Chair)

Jean Wood (Secretary)

Howard Barnstone

Stephen Feller

Robert Finkel

Jeremy Freid

Jane Ives (term ended November 2019)

Debra Jackson

Jack Leader

Peter Kai Jung Lew

Marcela Merino (term begun December 2019)

Beth Nicklas

Sarah Rahman

Matt Segneri

Chuck Tanowitz



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CITY OF NEWTON, MASSACHUSETTS

Economic Development Commission

Newton City Council
City of Newton
1000 Commonwealth Avenue
Newton MA 02459

Re: Northland Project
Petition #425-18
Special Permit #426-18

September 11, 2019

Dear Honorable City Councilors:

The Economic Development Commission (EDC) is pleased to provide this letter which outlines our views on the Northland Project. Overall, we are supportive of the Project and have several recommendations we believe should be considered. As an advisor to the Mayor and City Council on economic development issues, the EDC has a critical mission -- to promote, support, and encourage the development of new and existing businesses in the city, thereby increasing the commercial tax base and the economic vitality of the city.

We would like to thank Northland for presenting overviews of the Project to the EDC at various stages of development over the last few years and for being responsive to certain issues we raised. We would also like to thank the City Council and related committees for the public process which provided insights into issues raised by various constituencies and for the opportunity to share our thoughts.

At the September 10, 2019 meeting, the following position was adopted by the EDC by a vote of 12-0.

The EDC's support for aspects of the Northland Project is based on its alignment with the City Council- approved Economic Development Strategy¹, specifically the provisions related to:

- Creating developments that contribute to the City's being a great place to live, work, and play (Goal 1).
- Encouraging mixed-use developments in our commercial corridors (Objective 1C).
- Revitalizing Needham Street (Objective 2A).
- Supporting small local retailers (Objective 3E).
- Promoting multi-modal transportation opportunities including partnering with the private sector for shuttle services (Objective 5A & C).
- Providing affordable workforce housing units (Table 2).

In general, we believe the Project will be beneficial to the City from the following economic development perspectives. This letter is based on the proposal with 800 units of housing, 115,000 square feet (SF) of retail, and 180,000 (SF) of commercial space, the site plan dated April 12, 2019, and information publicly available as of June 18, 2019.

- Development of an underutilized 22-acre site.
- Investment of approximately half a billion dollars² including an estimated one-time \$7 million in building permit fees to the City³.
- Generation of a conservative estimate of \$1 million in annual net new positive tax revenue. (approximately \$4 million in gross tax revenue)⁴ and an estimated on-going direct and indirect annual economic impact of approximately \$471 million⁵.
- Align with Newton with regional development trends.

Aspects of the Project that advance economic development in Newton:

- Significant investment in Newton.
- Mixed use development in the Needham Street Corridor.
- Commitment to 10,000 SF of local retail with a 25% discount on rent. (total retail is 115,000 SF).
- Renovation of office space and inclusion of multi-level atrium in the office building which will include common space/Internet lounges and a café.
- Commitment to provide frequent, free, public shuttle services to the Newton Highlands MBTA stop.

¹ *Economic Development Action Plan for the City of Newton*, Camoin Associates, January 2019

² *Newton Development Peer Review, Northland Newton Development* performed by RKG Associates, Inc for the City of Newton, Massachusetts, March 2019

³ *Fiscal Impact Analysis*, prepared by Fougere Planning & Development, Inc. and Economic Impact Analysis, prepared by Landwise Advisors for Northland Newton Development, Newton, MA, August 31, 2018

⁴ *Newton Development Peer Review, Northland Newton Development* performed by RKG Associates, Inc for the City of Newton, Massachusetts, March 2019

⁵ *ibid*

- A structured and financed Transportation Demand Management Plan to incentivize travel modes other than single occupancy vehicles.
- Accommodations for pedestrians and bicycles.
- Sustainable elements including charging stations, solar elements, partial green roofs and Gold LEED certification.
- Location of parking underground to enhance site design.
- Undergrounding of pole-mounted utilities on Needham and Oak Street frontages.

Recommendations specific to the current special permit application

- Help create physical linkages to the rest of the N-Squared Innovation District through pedestrian or bus access. This can include but is not limited to, updating bike and pedestrian paths, creating river crossings into Needham, and helping design and build pedestrian access to Wells Ave. This can also include the integration of bus service as a way to establish a full transportation system within the N-Squared area.
- Build public space usable by the business community of the N-Squared Innovation District to act as a gathering point, allowing for meetings, events, and activities designed to create community among businesses.
- Expand the shuttle service to nearby commuter rail stations and integrate shuttle system with current/planned similar services within Newton and the N-Squared Innovation District including Needham Crossing
- Finalize details of the *Transportation Demand Management Plan* to be in accordance with the City's recommended requirements.
- Finalize the financing of ongoing programming of the proposed recreational facilities on the site.

Consideration for future development along the Needham street corridor:

- We recommend that future development within the Needham Street corridor be structured to achieve objective 1A and 1B of the *Economic Development Action Plan for the City of Newton*, prepared by Camoin Associates, January 2019, namely
 - “Objective 1A – Increase lab space in Newton to capitalize on highly skilled workforce with science background and regional economic trends”
 - “Objective 1B – Increase office space in Newton including coworking space to attract and retain companies and increase the commercial tax base”
- We recommend that the City of Newton authorize “as of right” commercial development up to 50,000 square feet for flexible, commercial, industrial, laboratory, co-working space or hotel use along the Needham Street Corridor.
- We recommend that any future redevelopment contemplated by Northland or its successors on property it owns on the east side of Needham Street be 100% commercial/industrial/flex and not include a residential component.

- Finally, we recommend that future redevelopment along Needham Street be heavily weighted toward and favor commercial/industrial/flex development over residential development.

Thank you for your consideration of our comments on the Northland Project. We advise the City Council to approve the zoning change and special permit with due consideration of the recommendations above.

Sincerely,



Joyce L. Plotkin,
Chair,
Economic Development Commission

Copy to: Mayor Fuller, City of Newton, MA
Planning and Development Board, City of Newton, MA
Northland Investment Corporation, Newton, MA