
INTEROFFICE MEMORANDUM
City of Newton, MA

TO: Honorable Board of Aldermen

FROM: David B. Cohen, Mayor

DATE: August 11, 2003

SUBJECT: Update on Potential Acquisition of Kessler Woods

Confidential as part of bidding process for
the property in 2003. Considered a public
document once the property was acquired.

I would like to inform you that NSTAR has reviewed the second round of bids for the parcel of land known as Kessler Woods. NSTAR has informally notified the City of Newton and Cornerstone Corporation that our cooperative bid was the highest bid received.

NSTAR has confirmed its desire to formalize the terms of their bid through the immediate execution of a purchase and sales agreement.

We have heard that NSTAR released some of this information today, but we ask that you maintain the confidentiality of this information until we have received formal notification in writing from NSTAR.

Thank you.

City wins Kessler Woods bid

By Andrew Lightman
STAFF WRITER

The city of Newton, along with a Norwood-based development partner, Comerstone Corporation, have won their bid to buy the 42-acre Kessler Woods owned by energy provider NSTAR.

Their combined \$15.1 million bid — \$6 million of which will come from the city's Community Preservation Act fund — snatched the largest untouched parcel of land in the city. Most will be kept as open space, while 14 to 18 acres will be set aside for 73 units of housing.

"We won the bid and I am very pleased," said Mayor David Cohen. "I think it's a victory for open space and affordable housing."

The property — located near LaGrange Street at the triangle where Newton, West Roxbury and Brookline meet — has been eyed by developers for years as a prime location for new homes.

"I think it's a real success," Cohen said. "This represents some quite innovative thinking. I can't think of any other community that has entered into a bid like this."

Newton and Comerstone Corporation originally bid \$11.3 million in the first round of bidding, but increased the bid to \$15.1 million when they realized their initial bid would likely lose.

"We analyzed our bid, what we felt other developers would be willing to risk, and we examined our appraiser's report very carefully," said Cohen.

To generate additional money for the project, Cohen said he plans to ask the Community Preserva-

KESSELER, page 8

FROM PAGE ONE

City's largest piece of undeveloped land to see 62 units

KESSLER, from page 1

tion Committee and the Board of Aldermen to increase the city's contribution from \$5 million to \$6 million.

Cohen said informal discussions with members of the CPC and aldermen indicated support for that idea.

"I think this is an important use of CPC funds," Cohen said. "Kessler Woods was really a centerpiece in the discussion of adopting the Community Preservation Act."

Cohen said the proposed Kessler Woods development will preserve 24 to 28 acres of open space and create 12

units of affordable housing.

In all, the project calls for construction of 11 single family houses and 62 multi-family housing units in buildings that Cohen said resemble large single-family homes.

Of the 62 multi-family housing units, Cohen said 12 will be sold below market price as affordable housing. Those 12 may likely be available for residents in the city's first-time home buyer programs, he said.

Cohen added that he is confident the Cornerstone Corporation will develop a context-sensitive neighborhood.

"Kessler Woods was really a centerpiece in the discussion of adopting the Community Preservation Act."

Mayor David Cohen

"Between Cornerstone and the two principals, they have built thousands of units," he said. "This is a group that has worked closely with neighborhood groups in the past. I will expect that will

happen again."

Meanwhile, according to Walter Salvi, manager of community relations for NSTAR, now that Newton has submitted the winning bid it now must execute the purchase and sale agreement.

"They are the highest bidder, but the sale is not yet complete," he said. "I'm thrilled that the city of Newton was able to put together the highest bid. We look forward to expediting the paperwork on this."

NSTAR's previous winning bidder failed to do so last month.

But Salvi is optimistic that NSTAR can execute the deal with the city within a week. He added the sale could be completed in a month or two, once the Massachusetts Department of Telecommunications and Energy looks into the deal and signs off on it.

Salvi noted that money from the sale will ultimately help NSTAR lower rates to its customers.

"Everybody wins," he said.

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