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#26-20 and #27-20

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Barney S. Heath
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PUBLIC HEARING/WORKING SESSION MEMORANDUM

DATE: May 8, 2020
MEETING DATE: May 12, 2020
TO: Land Use Committee of the City Council
FROM: Barney Heath, Director of Planning and Development
Neil Cronin, Chief Planner for Current Planning
CC: Petitioner

In response to questions raised at the City Council public hearing, the Planning Department is providing the following information for the upcoming public hearing/working session. This information is supplemental to staff analysis previously provided at the Land Use Committee public hearing.

PETITIONS #26-20 & #27-20 **355 and 399 Grove Street**

Petition #26-20 for a change of zone to Mixed Use 3/Transit Oriented District for portions of land located at 355 Grove Street (currently zoned BU-2) and 399 Grove Street (currently zoned BU-5), also identified as Section 42, Block 11, Lots 3 and 4

Petition #27-20 for a SPECIAL PERMIT/SITE PLAN APPROVAL construct a mixed use, transit-oriented development of residential units, office, retail, personal services, restaurant, hotel, and related commercial uses not to exceed 1,025,000 square feet of gross floor area, with residential uses comprising not less than 60% of the total gross floor area with a residential density of not less than 800 square feet per unit with not less than 560 units nor more than 620 units with special permit relief and/or waivers as follows: a development of more than 20,000 square feet of gross floor area, building height of up to 170 feet, buildings up to 11 stories, Floor Area Ratio of up to 2.5, beneficial open space of not less than 15%, increase of height of certain buildings with the Grove Street Area Corridor (to the extent necessary), and reduction in setback from Grove Street for certain buildings within the Grove Street Corridor Area (to the extent necessary); waiver of the sustainable development design standards and placement of a retaining wall greater than 4 feet in height within a setback; for-profit educational use, retail sales of over 5,000 square feet, restaurant with more than 50 seats, personal service use of over 5,000 square feet, place of amusement, health club on ground floor, animal services, hotel, bank up to and over 5,000 square feet, theatre/hall, laboratory/research facility, parking facility, accessory, multi-level, parking facility, non-accessory, single level; reduction of the residential parking requirement to 1.25 stalls per unit, reduction of the overall parking requirement by 1/3, and waiver of

parking stalls not to exceed 685 stall; and waivers to the requirements of parking facilities containing more than five stalls; waiver of the number, size, type, location, and design requirements, all at 355 and 399 GROVE STREET on land known as Section 42, Block 11, Lots 3, 4 and 4A, containing approximately 13.05 acres of land in districts zoned Mixed Use 3 Transit Oriented (MU3), BU2 (a portion to be rezoned to MU3), BU5 (to be rezoned to MU3). Ref: Sec. 4.2.2.B, 4.2.3, 4.2.4, 4.2.4.A.4, 4.2.4.B.3, 4.2.4.G.2, 4.4.1, 5.1.4, 5.1.4.A, 5.1.4.C, 5.1.8.B.1, 5.1.8.B.2, 5.1.8.B.4, 5.1.8.B.6, 5.1.8.D.1, 5.1.8.D.2, 5.1.9.B, 5.1.10.A.1, 5.1.10.B.3, 5.1.10.B.5, 5.1.12, 5.1.12.B.4, 5.1.13, 5.2, 5.2.13, 5.4.2.B, 5.12, 6.4.29.C.5, 7.3.3, 7.3.5, 7.4 of the City of Newton Revised Zoning Ordinance, 2017. Additionally, as to infiltration and inflow mitigation, an abatement of the infiltration/inflow mitigation fee pursuant to Section 29-170 of the City of Newton Revised Zoning Ordinance, 2017.

The Land Use Committee (the “Committee”) opened the public hearings on these petitions on January 28, 2020 and continued the public hearings on February 11, 2020, February 25, 2020, March 5, 2020, March 24, 2020, April 7, 2020 April 28, 2020, and May 5, 2020; both public hearings remain open. A tentative schedule for future Committee public hearings is included as an attachment to this report (**Attachment A**). This memorandum is focused on the revised program of the so-called “Riverside Development” proposed for the subject parcels. If time permits, the Planning Department will provide an update on the bicycle facilities proposed for Grove Street.

Background

The petitioners are requesting a change of zone for a portion of 355 Grove Street, currently the Massachusetts Bay Transportation Authority (the “MBTA”) rail yard, and all of 399 Grove Street, currently the Hotel Indigo, to the Mixed Use 3/Transit Oriented Zone (the “MU-3/TOD zone”). The petitioners are also seeking special permits to allow a ten-building development on site. The petitioners filed revised plans which result in a development of 582 dwelling units, 253,827 square feet of office space, of which 7,500 square feet will be dedicated to the MBTA, 150 hotel rooms, and 38,895 square feet of ground floor commercial space (the “Project”).

Programmatic Changes

The Petitioners submitted revised architectural and site plans for the Project as well as a narrative outlining the changes to the Project since the filing (**Attachment B**). In summary, the changes include the following:

- Reduction in the number of dwelling units from 617 to 582;
- Increase in the amount of office square footage from 250,887 to 253,828
- Decrease in retail square footage from 43,242 to 38,895

Zoning Implications

The MU-3/TOD zone includes dimensional standards that limit the size of a development, in square footage, and the allotment of that square footage among the allowed uses e.g. office and residential. The revised program complies with the 1,025,000 square foot cap required by the MU-3/TOD zone. Moreover, at least 60% of the square footage is dedicated to residential use and the office use complies with the 300,00 square foot maximum. Lastly, the amount of Beneficial Open Space open to the public has increased by 3,313 square feet for a total of 68,217 square feet (1.57 acres). The Planning

Department is working on a revised Zoning Review Memorandum, which will be provided to the Committee at a future public hearing.

Site Plan Changes

During the public hearing on the site design and open spaces, the Peer Review Team, consisting of Form+Place, Inc., The Horsley Witten Group Inc., and Utile Inc., and members of the City Council had a number of questions regarding the hotel green as well as the pedestrian access within the transit square. The revised site plans indicate that the petitioners were able to respond to these comments by widening the hotel green by sixteen feet which allowed for the space to propose a playground. Additionally, the bicycle pavilion was removed from the transit plaza and crosswalks are proposed in accordance with pedestrian desire lines. For the Peer Review Team’s comments on these changes, please see the Peer Review Memorandum, dated May 8, 2020 (**Attachment C**). Overall, the Peer Review Team is supportive of the refinement of the site design due to the attention given to pedestrian movement within the site.

Inclusionary Zoning

Per the Inclusionary Zoning provisions of the Newton Zoning Ordinance, the petitioners shall provide 15% of all dwelling units available to households earning between 50% and 80% of Area Median Income (“AMI”), for a blended rate of 65% AMI, and an additional 2.5% of all dwelling units available to households earning up to 110% of AMI. The calculations result in 87.3 dwelling units (582*15%) at the 50% to 80% AMI level and 14.55 dwelling units (582*2.5%) at up to 110% AMI. The petitioners are proposing to provide 87 dwelling units at the 50% to 80% AMI level and 15 dwelling units at up to 110% of AMI. Because the calculation for the dwelling units at the 50% to 80% AMI level results in a fraction of less than .5 (87.3) the petitioners can either provide a cash payment to capture that fraction or provide an additional inclusionary zoning unit at the 50% to 80% AMI level. Staff will confer with the Housing Division regarding this fractional payment and will provide the Committee with an update at the public hearing.

Table I: Unit Mix

Unit Type	Market Rate Units	Units at 50% AMI	Units at 80% AMI	Units at 100% AMI
Studio	38	6	6	1
One-Bedroom	234	18	18	9
Two-Bedroom	192	18	17	4
Three-Bedroom	16	2	2	1

Fiscal Impact

The Petitioners engaged Municap, Inc. (“Municap”) to develop a fiscal impact analysis for the petition. Municap’s analysis suggests that annual net fiscal impact has decreased by \$16,216 (from \$1,641,468 to \$1,625,252) based on the programmatic changes (**Attachment D**). Municap’s analysis provides two alternatives to estimate the fiscal impact depending upon the model used to calculate the number of school-aged children expected to live in the Project. The Planning Department continues to use Exhibit B when reviewing the Project because it is the most up to date model used by the Newton Public

Schools. The Planning Department will confer with the City's peer review consultant, HR&A Advisors, Inc. and will provide the Committee with an update at the public hearing.

ATTACHMENTS

- Attachment A:** Tentative Land Use Committee Schedule, dated May 8, 2020
- Attachment B:** Petitioners' Narrative Outlining Changes, dated
- Attachment C:** Peer Review Team Memorandum, dated May 8, 2020
- Attachment D:** Fiscal Impact Executive Summary, revised April 16, 2020

TENTATIVE LAND USE COMMITTEE SCHEDULE

May 8, 2020

355 AND 399 GROVE STREET "RIVERSIDE"

*This schedule is tentative. The Land Use Committee is scheduled to meet on the below dates; however, the topics are subject to change.

Meeting Date	Topic	Description
5.12.20	Revised Project; Grove Street Bicycle Facilities and Mitigation (If Time Permits)	Review of the revised Site Plans, Program, and Fiscal Impact
5.26.20	Design Guidelines & Signage	Guidelines that will regulate architecture of individual buildings as well as signage
6.2.20	Transportation	Review of Traffic Impacts, Shared Parking Analysis, and Transportation Demand Management Plan

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Wellesley, MA 02481

RIVERSIDE

Architecture Plan Changes Since December 2019 Submission

March 25, 2020

- Building 1
 - The Office Building Gross Floor Area (GFA) increased approximately 2,940 SF.
 - The Building core been redesigned to allow flexibility for lab/life science.
 - Level 1.5 (mezzanine level) was deleted.
 - Level 10 and Mechanical Penthouse footprints have been increased to match the floors below.
 - The Floor-to-floor heights below Level 10 changed; Level 10 and above heights remain unchanged.
 - Overall height of Building 1 has not increased and remains under 170FT.
- Building 2
 - No changes
- Building 3
 - The Building GFA has been reduced by 138 SF, which reduces the amount of residential GFA accordingly.
 - The residential unit mix and distribution has been revised.
 - Level 1: Minor changes to lobby and mail/package areas.
 - Level 1: Indicated Phase 1 Leasing Area.
 - Level 3: Removed units to increase the amount of amenity space.
- Building 4
 - The Building GFA has been reduced by 854 SF
 - Residential Use GFA increased 1,776 SF.
 - Retail Use GFA decreased 2,631 SF.
 - Residential unit count increased by 6 to 113.
 - The residential unit mix and distribution has been revised.
 - Level 1: Go Bus moved to Garage 10.
 - Level 1: Retail space reduced.
 - Level 1: Residential units added.
 - Level 2: Leasing Office has been moved to Building 3 and this space has been converted to Tenant Storage.
 - Levels 3-7: Southern 'leg' of building decreased in width to increase courtyard.
 - Level 3: Residential amenity space has been removed.

- Level 7: Setback along Grove Street increased from 10'-0" to 12'-10".
- Building 5
 - Residential unit count decreased by 1 to 49 units.
 - Throughout: changes to unit mix and distribution
 - Level 1: Residential unit added at Northeast corner
 - Level 1: Changes to amenity, storage, bicycle room, and mail/package areas distribution
- Building 6
 - Residential Use GFA decreased 64 SF.
 - Retail Use GFA increased 64 SF.
 - The residential unit mix and distribution has been revised.
 - Level 1: Utility room locations adjusted.
- Building 7
 - Building GFA reduced 2,026 SF.
 - Residential Use GFA reduced 1,309 SF.
 - Retail Use GFA reduced 717 SF.
 - Residential unit count increased by 4 to a total of 50 units.
 - Building length reduced by 5' to increase transit entry between Buildings 7 & 8.
 - The residential unit mix and distribution has been revised.
 - Level 1: MBTA bicycle room added near transit entry.
 -
- Building 8
 - Building GFA increased 61 SF.
 - Residential Use GFA increased 107 SF.
 - Retail Use GFA decreased 47 SF.
 - Residential unit count decreased by 19 to 57 units.
 - Average unit size is 857 SF (increased by 233 SF)
 - Throughout: changes to unit mix and distribution
 - Northern egress stair relocated to opposite side of residential corridor
 - Level 2: Amenity space replaced by residential units
- Building 9
 - Building GFA decreased 107 SF.
 - Residential Use GFA increased 781 SF.
 - Retail Use GFA decreased 887 SF.
 - Residential unit count decreased by 8 to 36
 - Average unit size is 830 SF (increased by 150 SF)
 - Throughout: changes to unit mix and distribution.
 - Level 1: Residential lobby and mail/package areas updated, reducing Southern Retail space.
 - Level 1: Bicycle room added along South wall of building.
- Building 10
 - Building and Residential Use GFA increased 127 SF.
 - Residential unit count decreased by 17 to 83 .

- Average unit size is 865 SF (increased by 152 SF)
 - Throughout: changes to unit mix and distribution
 - Level 1: Residential lobby and amenity spaces adjusted
- Building 9 Garage
 - Parking stalls increased by 1 to 1,139.
 - Distribution of accessible parking spaces adjusted
 - Level 1: Retail loading adjusted to accommodate larger trucks
 - Level 1: MBTA short-term parking spaces added
- Building 10 Garage
 - Parking stalls decreased by 10 to 842.
 - Distribution of accessible parking spaces adjusted.
 - Level 1: Go Bus moved to Building 10 Garage from Building 4.

Horsley Witten Group

Sustainable Environmental Solutions

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MEMORANDUM

To: Neil Cronin, Jennifer Caira – City of Newton
From: Janet Carter Bernardo, PE – Horsley Witten Group, Inc.
Date: May 8, 2020
Re: Riverside Station – Peer Review Comments Regarding Recent Plan Changes

This memorandum continues the peer review of the proposed Riverside Station development on Grove Street in Newton, Massachusetts. The Petitioner proposes to redevelop the existing Massachusetts Bay Transportation Authority (MBTA) parking lot and Hotel Indigo located off Grove Street. The proposed redevelopment includes the construction of 10 mixed-use buildings with roadways, parking areas, landscaping, stormwater management, and utility improvements. Construction is anticipated to begin in the fall of 2021 with completion in 2025.

New comments in this memorandum are based on review of the following recently submitted documents by the Petitioner, and are focused on changes to the plans.

1. Attorney Correspondence regarding VISSIM Study dated 4/16/20
2. Comprehensive Sign Package
3. Narrative and Tabulations Regarding Project Changes dated 3/27/20
4. Petitioner's Response to Questions dated 3/30/20
5. Petitioner's Response to Questions dated 4/1/20
6. Petitioner's Response to Questions dated 4/17/20
7. Preliminary Construction Management Plan dated 4/14/20
8. Revised Architectural Plans dated 3/23/20
9. Revised Site Plans dated 4/28/20
10. Solid Waste Management Plan dated 4/14/20

Horsley Witten Group

Comments from HW on the recently submitted materials are as follows:

1. The revised site and landscape plans dated April 28, 2020 show a raised intersection and 8-foot sidewalks around the entire intersection of Main Street with Hotel Green. HW applauds this revision to the design, as it will greatly add to sense of arrival via Main Street, character and value of both Hotel Green and the open space in front of Building 10, and traffic calming on Main Street. Additional detail will be required as part of the consistency review phase.
2. The revised landscape plans include a new bioretention (rain garden) system located within Station Green adjacent to Grove Street. The system location and design are a very positive addition providing more visual interest to the Green, an aesthetically compatible buffer to Grove Street, and a demonstration of green stormwater infrastructure (GSI) in a prominent location. The Petitioner might consider adjustment to the geometry of the system to make it more of an edge element rather than taking up so much of the central Green area, which would maximize the flexibility of the Green for various uses. Additional detail will be required as part of the consistency review phase.
3. The revised landscape plans show a rain garden located at the edge of the Hotel Green. HW supports the addition of this element as a landscape feature and highly visible stormwater element. This GSI should be coordinated with Grading, Drainage, and Erosion Control Plan C-9.1. Additional detail will be required as part of the consistency review phase.
4. The design of the Hotel Green has been revised to widen the central green space by removing interior parallel parking. HW has no objection, and notes the improvement to the space's value with its enlargement and the addition of park and playspace elements as well as GSI. See additional comments from Utile and Form + Place.
5. Detailed future design of the open space in front of Building 10 must complement the larger square, integrate with the proposed raised intersection, accommodate pedestrian traffic to/from the Building 10 lobby for the central garage, and be coordinated with ground level architecture. Additional detail will be required as part of the consistency review phase.

Utile

Comments from Utile per their memorandum dated May 7, 2020 on the recently submitted materials are as follows:

Overall Comments:

6. The design of the site has progressed well, and has evolved into a design that we believe will support the goals of creating an active, comfortable, pleasant, and sustainable neighborhood.

7. In particular, progress made in the Hotel Green has resulted in a public space that will prove beneficial, enjoyable, and safe for the densest and most mixed-use area of the project.
8. The Hotel Green, Amphitheater Green, and Transit Green and Square have been successfully woven into the larger public realm network of streets, sidewalks, bike infrastructure, and recreational paths.
9. The use of permeable pavers throughout much of the hardscape area of the project is a smart and sustainable way to ensure groundwater is recharged, representing a significant improvement over the current condition of the site as a vast expanse of asphalt.

Hotel Green:

10. The elimination of the inner ring of parking from the Hotel Green is a much-welcomed change that will help expand the width of this space by 16' into a usable, safe, and delightful park. At 64' wide and 162' long the space is sized, as indicated in the provided landscape plans, to be able to accommodate seating, grassy areas, a protected playground, and ample plantings that will make it a community asset and gathering space for all types of occupants, from office workers having lunch to strolling hotel guests, and children and families at play.
11. The provision of a raised intersection and crosswalks where the Hotel Green meets Main Street will not only help to slow traffic and improve safety, but also to create physical connectivity between the Green and the smaller open space adjacent to Building 10. This will create the feeling that the two spaces are a single open space amenity.
12. The widening of the sidewalk between the Hotel Green and Building 3 will help to expand the perceived size of the public space and encourage activity to spill out from the surrounding buildings. The inclusion of a retail component at the corner of Main Street in Building 3 will further help to enliven the Green.
13. The design indicates that the street that loops the Hotel Green will be flush with it and the opposite curbs. This, along with trees and plantings on the sidewalks, are excellent ways to ensure that the entire space feels like one large park where the pedestrian is prioritized over vehicles.

Transit Green/Square:

14. The design of the Transit Green and Square has also progressed well, including the successful integration of the MBTA's functional needs. It is now a truly multifunctional space that performs a number of social, ecological, transportation, and accessibility functions.
15. The location and configuration of the crosswalks in the Transit Square has been thoughtfully considered. In particular, the diagonal crosswalk connecting the Station to the plaza island in the center of the Square is responsive to a major pedestrian and bicyclist desire line. Further articulation of these crosswalks through paving changes, as

indicated in landscape plans, will help to ensure they are easily noticeable and will not wear away.

16. The design of the Transit Square indicates that the plaza island will be flush with the road, which should help to visually indicate the prioritization of bicyclists and pedestrians. This will be further achieved by the wrapping of the plaza island with an 8'-wide band of pavers that connect to the crosswalks (in the same material), expanding the realm of the plaza island and helping to indicate that vehicles should proceed slowly and cautiously.
17. The removal of the previously proposed Bike Pavilion from the plaza island has eliminated a potential visual landmark, amenity, and activity activator in the center of the Square, but the proposed seating and plantings will help to offset this. The petitioner had previously suggested that the island may host food trucks as a way of enlivening the Square, but the proposed bollards are fixed rather than operable, which would preclude this strategy. The petitioner may want to reconsider the choice of bollard, or suggest an alternative area for hosting food trucks, perhaps in the access paths on either side of the Transit Green.
18. With the relocation of bicycle parking from the Bike Pavilion to the interior of Building 7, a robust wayfinding system should be incorporated that makes it obvious that convenient covered bicycle parking is available. This will encourage ridership to increase over time and will reduce the number of bikes that are locked to signage and street furniture in the Square.
19. The access path on the north side of the Transit Green is currently shown as being blocked from Grove Street by fixed bollards, which would negate its usefulness. If it is not to be reserved for emergency access this area may more productively be given over to an expanded Transit Green.
20. The design of the Transit Green has been altered to introduce a bioretention basin on the east side that functions as a rain garden with a boardwalk-style pathway crossing over it and connecting pedestrians from the Grove Street sidewalk to the Green, Square, and station.
21. Although this proposal reduces by about one-third the area of open lawn within the Green, it provides an attractive and inviting buffer along Grove Street that makes the open area of the Green itself feel safer and more comfortable to occupy and use.
22. Additionally, this landscaping approach ties into the design of the Riverside Center's buffer landscape, helping to provide a transition between the two sites and their relationship to Grove Street.
23. The design of the boardwalk path invites northbound pedestrians on Grove Street headed to Riverside Station to pass through the Green and safely onto the sidewalk on the north side of the Square, rather than having to cross through it.
24. The introduction of a bus shelter into the Green helps to activate the space and integrate it with the Square, the shelter should be designed to complement the scale and

character of the Green. The lighting design should both help enhance the quality of the space and make it feel safe.

Amphitheater Green:

27. The introduction of play equipment on the knoll of the Amphitheater Green will provide a pleasant and safe space for children in this very active landscape. It may secondarily serve as a playful visual backdrop for the theatrical and musical performances that are proposed to occur in the Amphitheater Green.

Building 3:

28. There are conflicting representations of how Building 3's Grove Street facade meets the ground near the Grove Street/Recreation Road intersection. Civil/Landscape plans show an entrance into the building from a semi-circular plaza, while the architectural drawings show no entrances into the building along the Grove Street facade. The petitioner should clarify this, and if a single entrance is to be provided, it should be into a corridor that provides access to multiple units from the landscaped plaza. This will encourage a higher level of activity in the plaza. Alternately, each ground level unit could be directly accessed from Grove St.
29. The small plaza outside Building 3 at the intersection of Grove Street and Recreation Road is largely cut off from the rest of the project, so special care should be taken to ensure that it is a welcoming space that will attract people who live in nearby residential units.

Form + Place

Comments from Form + Place per their memorandum dated May 7, 2020 on the recently submitted materials are as follows:

Hotel Green

30. The open space design approach for the Hotel Green continues to be refined in a way that supports the goal of creating a diverse collection of usable open spaces across the development. Previous changes to the design of the buildings fronting on Hotel Green, including removing garage parking, significantly changed the nature of the space by removing a large percentage of vehicular traffic from the area. Other notable adjustments included the separating of Buildings 3 & 4 to allow a grand stair to provide a pedestrian connection into the space from Grove Street.
31. The refinement of the design presented in this latest submission has resulted in a larger central green area, due to the removal of on-street parking on the inside edge of the one-way vehicular loop. Drop-off areas for the hotel and parallel parking along the sidewalks in front of the buildings remain and should be beneficial to creating a safe pedestrian environment. In the middle of Hotel Green, a children's playground has been incorporated, and is adequately buffered by a rain garden and assorted plantings.

32. A double row of trees and planting beds provide a highly articulated environment in the expanded sidewalk area between Building 4 and the loop road, providing shaded area and suggesting that this area is not intended for large gatherings. A smaller open and flexible sidewalk area is appropriately created at the Main Street corner of Building 4 where a commercial lease space is planned. Urban furniture is incorporated thoughtfully throughout.
33. A covered outdoor area is provided on the Main Street frontage of the hotel building, presumably to be used for an active use, such as outdoor seating. It would be desirable if the ground floor of Building 1, across Main Street, had a visually transparent and engaging feel to help activate this important development entry node.
34. The one area that seems to lack a similar level of articulation is the small plaza on the corner of Road A and Main Street. While this is likely to be a high traffic area for pedestrians accessing the garage, it will be important to understand how the buildings meet the ground and what the quality of this open space - with its limited landscaping - will be. Pedestrian crosswalks in this area have been refined and seem appropriately located.
35. All in all, the continued refinements to Hotel Green seem to be adding to the design quality of this important open space.

Amphitheater Green

36. The design approach to Amphitheater Green continues to reflect the thoughtful refinements that were incorporated earlier in the peer review process. The “hill” feature has ended up on the southwest corner of the open space and this seems an appropriate location, given the geometry shift in Main Street that occurs here. Other features, such as the Grove Street overlook [belvedere] and the careful placement of trees at the back edge and sides of the amphitheater should enhance the flexible use of the space.
37. The one location that might benefit from further study is where the sloping ramp wraps the “hill” to meet the sidewalk grade at Main Street. This last section of ramp, together with its site walls, seems to conflict with the place where a flexible performance area would want to be accommodated.
38. Amphitheater Green, on the whole, will be a nicely-scaled open space for intimate events or contemplative activities, and the visual connectivity that it allows from Grove Street – in conjunction with the Hotel Green stair – is a welcoming feature of the overall development site plan.

Transit Square & Green

39. Transit Square and Transit Green have continued to evolve, with considerable input from the Peer Review team. Previous refinements to Transit Green were very helpful in creating an open, flexible green space for public gathering. This most recent iteration removes some of that flexibility by dedicating approximately 1/3 of the green space to a rain garden, as opposed to open lawn. While the addition of the rain garden and a diagonal boardwalk will add visual interest and result in a potentially more diverse and

sustainable landscape, it would be helpful to understand if the remaining area is adequate to accommodate a variety of functions. Perhaps some precedent examples showing spaces of a comparable scale of the open lawn area could be provided. The tree canopy on the green and adjacent sidewalk areas, together with the outdoor terrace space at the north end of Building 6 will compliment the design of this significant open space, which is integral to the development's presentation to the important frontage along Grove Street.

40. The design of Transit Square has continued to evolve as well with, most notably, the bike shelter previously shown at the center of the space no longer a feature. Pedestrian connectivity to this space has been considered further, with crosswalks added to reflect what will likely be "desire lines" from Main Street to the MBTA Station entry. This hardscaped square is now characterized by street trees and urban furniture, located appropriately at its perimeter to allow for flexible use of the space. What ultimately will make this space successful will be its programming - whether temporary outdoor markets, street musicians or art vendors. The sidewalks in front of Buildings 7 [partially] and 8 do not include street trees. It is presumed that this is purposeful and intended to improve visibility to the MBTA Station entry and simplify the drop-off interface.
41. The hardscape quality of Transit Square should be a nice counterpoint to the softscape environments in Transit Green and elsewhere in the project. Use of the square could be challenged if there is a perception that it is hard to access, but the anticipated flow of vehicular traffic around the circle should not be too much of a deterrent if the space is properly activated.
42. The relocation of bike storage facilities to the surrounding buildings seems like a reasonable design approach, as long as they are accommodated in a way that does not adversely impact the commercial storefronts that will hopefully help enliven the streetscapes in this active pedestrian area.

Overall Site Design

43. The continued refinement to the design of these important public spaces is critical to creating a successful public realm. The diverse qualities that these spaces now represent seem to be reinforcing the types of place-making goals one would expect to find in a development of this scale. The linking of these public spaces by well-articulated street environments along Main Street and Grove Street will be the key to a successful overall site design. The Main Street corridor incorporates many of the elements of pedestrian-friendly streetscapes, such as street trees, parallel parking, active commercial storefronts and residential unit entries. The final level of refinement will include the thoughtful integration of site details such as wayfinding signage and lighting, together with well-articulated and high-quality ground floor building facades.

**Riverside
Newton, Massachusetts**

**Executive Summary
Fiscal Impact Projections**

**PREPARED BY:
MUNICAP, INC**

APRIL 16, 2020

EXECUTIVE SUMMARY

Purpose of Study

The purpose of this analysis is to estimate the fiscal impacts to the City of Newton, Massachusetts resulting from the proposed Riverside Project (the “Project”). This analysis provides an estimate of the additional tax revenues and expenses that the City of Newton will receive or incur as a result of this development and contrasts the expected revenues with the expected expenses. These projections also include estimates of population, student and employment impacts resulting from the Project.

Project Description

The proposed Project is adjacent to Interstate 95 and the MBTA Riverside Station. This location encourages smart growth and transit-oriented development. Existing development includes tax-exempt surface parking and a hotel. The existing hotel will be demolished to make way for new high-density, walkable development primarily supported by structured parking garages. The Project contemplates 582 units of residential rentals, with 102 of those units meeting inclusionary housing standards. Furthermore, approximately 370,023 square feet of retail, office and hotel space are envisioned to achieve the City’s stated goals of increasing the commercial tax base. Table A on the following page outlines the proposed development for the Project.

Project Site



Table A
Project Description

Property Type	Gross Area (Square Feet) ¹	Units/ Rooms ¹
<i><u>Residential</u></i>		
<i>For Rent</i>		
Market rate apartments	540,187	480
Inclusionary income apartments		
50% AMI	49,517	44
80% AMI	48,392	43
100% AMI	16,881	15
Sub-total residential	654,977	582
<i><u>Commercial</u></i>		
Retail	38,895	-
Office	253,828	-
Hotel	77,300	150
Sub-total commercial	370,023	150
Total²	1,025,000	732

¹Provided by Mark Development, LLC. See Schedule I of the fiscal impact analysis.

²Total development square footage excludes 7,500 square feet of office space to be occupied by MBTA.

Projection of Impacts

MuniCap, Inc. estimated future impacts on the City of Newton using a combination of accepted approaches for projecting fiscal impacts. Two exhibits are prepared and attached hereto as Exhibit A and Exhibit B (collectively the “Exhibits”). Exhibit A is based on student generation factors used in the Northland Newton Development fiscal impact analysis, which used the *Enrollment Analysis Report* dated November 2018, produced by Newton Public Schools. Exhibit B uses the average of the three student generation methods presented in the December 2019 Newton Public Schools Enrollment Analysis Report.

To calculate employment impacts, MuniCap, Inc. used IMPLAN Professional 2.0 software developed by MIG, Inc. IMPLAN is an industry-accepted economic impact assessment software system with which trained users can create local area *Social Accounting Matrices* and develop *Multiplier Models* that can be used to estimate detailed economic impacts of new firms moving into an area, special events such as conventions or professional sports games, recreation and tourism, military base closures, and many more activities. For the inputs used in developing the models, such as square footage and sales revenue, MuniCap, Inc. relied on a variety of sources, which are noted in the accompanying exhibits to this report. Finally, MuniCap, Inc. analyzed current commuting trends among employees in the City of Newton to estimate the

percentage of projected new employees likely to be non-residents and thus represent an additional cost to the City for services above those provided to the current service population.

In estimating the population increase, MuniCap, Inc. applied the persons per household for renter occupied units to the proposed housing units, using information from the U.S. Census Bureau.

For the calculation of economic benefits, primarily in the form of increased tax revenue, MuniCap, Inc. applied the actual taxing methodology by multiplying the applicable tax rate by the estimated taxable item in question. For instance, real property taxes were estimated by multiplying estimated assessed value by the current applicable real property tax rate. In some instances, revenues were estimated on a per capita basis, typically when the revenue source was not in the form of a tax. In still other cases, revenues that will likely increase as a result from the Project were dismissed altogether, as they represent charges for services that will likely be offset by the cost of providing said services.

To calculate fiscal impacts in the form of additional costs to the City of Newton, MuniCap, Inc. conducted interviews with the heads of the police and fire departments to determine additional service calls and resulting costs from the proposed development. Tax rates were expressed at their level as of the date of this report. MuniCap also reviewed publications by Newton Public Schools and RKG Associates to estimate additional impacts from new students. Additional general fund expenditures were not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

Impacts were estimated on an annual basis, assuming no phase in period and no inflationary impacts. The actual results may vary with development contemplated to occur over five to seven years, with a phase-in period for property values and revenues and expenses that will increase with inflation over time. This study does not include an analysis of impacts to existing City facility capacity that may result from the proposed development. No forecast of capital improvement expenditures is included herein.

Results of the Study

A. Employment Impacts

Table B on the following page outlines the projected employment impacts resulting from the Project. Direct impacts are jobs at the new development; indirect impacts are jobs created within Middlesex County, but not at the new development.

Table B
Employment Impacts¹

	Permanent Jobs	Annual Compensation	Income per Employee	Annual Wages	Wage per Employee
Retail:					
Direct impacts	93	\$3,050,038	\$32,749	\$2,580,181	\$27,704
Indirect and induced impacts	26	\$1,603,699	\$62,890	-	-
Office:					
Direct impacts	677	\$53,021,093	\$78,332	\$45,172,680	\$66,737
Indirect and induced impacts	425	\$22,850,412	\$53,826	-	-
Hotel:					
Direct impacts	60	\$3,799,735	\$63,078	\$3,273,218	\$54,338
Indirect and induced impacts	32	\$1,996,057	\$62,572	-	-
Apartment Management:					
Direct impacts	48	\$1,338,998	\$27,633	\$1,173,247	\$24,213
Indirect and induced impacts	28	\$1,636,907	\$59,094	-	-
Total direct impacts (full-time equivalents)	879	\$61,209,864	-	\$52,199,326	\$172,992
Total indirect and induced impacts	510	\$28,087,075	-	-	-
Total annual compensation		\$89,296,939			

¹Projected permanent employment impacts were calculated using IMPLAN software by IMPLAN Group, LLC. The software calculates labor income and the number of jobs based on industry multipliers derived from National Income and Product Accounts data published by the U.S. Bureau of Economic Analysis. This data is then indexed to local industry data compiled by the U.S. Census Bureau. See Appendix D of the fiscal impact analysis.

The methods of estimating employment impacts are explained in the subsequent appendices included in the Exhibits attached hereto. The calculation of employment impacts can be found in Appendix D of each of the Exhibits.

B. Population Impacts

Tables C below projects resident population resulting from the Project. Persons per household for renter occupied and owner-occupied housing are provided in the *American Community Survey*, published by the U.S. Census Bureau.

Table C
Population Impacts – Residents¹

Resident Impacts	
Residents	
New rental units (including vacancy)	553
Persons per household (renter occupied)	2.21
Total residents	1,222

¹Source: 2013-2017 American Community Survey 5-Year Housing Estimates for Newton City, Massachusetts. See Appendix A of the fiscal impact analysis.

C. Student Impacts

Table D below projects student population impacts resulting from the Project. Student impacts are calculated on a pro rata basis using existing and projected students, allocated among current revenues and expenditures. The methodology for calculating additional students in Exhibit A is based on student generation factors used in the Northland Newton Development fiscal impact analysis, which used the *Enrollment Analysis Report* dated November 2018, produced by Newton Public Schools. Exhibit B uses the average of the three student generation methods presented in the December 2019 Newton Public Schools Enrollment Analysis Report.

Table D
Population Impacts – Students

	Student Impacts	
	<u>Exhibit A</u>	<u>Exhibit B</u>
	(Northland Scenario - Enrollment Report Dated 11/2018)	(Updated NPS Scenario - Enrollment Report Dated 12/2019)
Students generated ¹	119	129
Impact per student ²	(\$12,477)	(\$12,477)
Subtotal student impacts	(\$1,484,731)	(\$1,609,498)

¹See Schedule IX-A.

²See Schedule IX-B.

D. Fiscal Impacts

Tables E-1, E-2 and E-3 below and on the following page compare the projected revenues and

expenses resulting from new and existing development, along with the net fiscal impacts to the City of Newton, annually at full build-out between Exhibit A and Exhibit B. The projected revenues and expenses are shown in today's dollars.

Table E-1
Projected Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Real property tax revenues (Schedule I)	\$4,059,368	\$4,059,368
Motor vehicle excise tax revenues (Schedule V)	\$30,315	\$30,315
Hotel room occupancy tax revenues (Schedule VI)	\$599,868	\$599,868
Hotel meals tax revenues (Schedule VI)	\$14,165	\$14,165
Additional revenues (Schedule VII)	\$101,091	\$101,815
City of Newton tax revenues	\$4,804,807	\$4,805,531
City of Newton police and fire expenditures (See Schedule VIII)	(\$442,232)	(\$442,232)
City of Newton student expenditures (See Schedule IX-B)	(\$1,488,961)	(\$1,611,279)
City of Newton general fund expenditures (See Schedule X) ²	\$0	\$0
City of Newton net fiscal impact	\$2,873,615	\$2,752,020

¹Additional revenues include recreation, parking violations and fines and unrestricted government aid.

²Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

Table E-2
Existing Development Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Real property tax revenues (Schedule XI)	\$595,608	\$595,608
Hotel room occupancy tax revenues (Schedule XII)	\$553,413	\$553,413
Hotel meals tax revenues (Schedule XII)	\$14,165	\$14,165
Additional revenues (Schedule XIII)	\$204	\$204
City of Newton tax revenues	\$1,163,390	\$1,163,390
City of Newton police and fire expenditures (See Schedule XIV)	(\$36,622)	(\$36,622)
City of Newton student expenditures ³	\$0	\$0
City of Newton general fund expenditures (See Schedule XV) ²	\$0	\$0
City of Newton net fiscal impact	\$1,126,768	\$1,126,768

¹Revenues include parking violations and fines and unrestricted government aid.

²Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

³The existing development consists of a hotel and no student residents.

To estimate the true, net new impacts, the existing development fiscal impacts shown in table E-2 shall be netted out of the new development impacts shown in table E-1.

Table E-3
Net New Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Projected Riverside development net fiscal impact	\$2,873,615	\$2,752,020
Existing development net fiscal impact	(\$1,126,768)	(\$1,126,768)
City of Newton net new fiscal impact	\$1,746,847	\$1,625,252

Sources

Employment impacts for the Project were calculated using IMPLAN software developed by MIG, Inc. Development data was provided by Mark Development, LLC. Assessed values for tax increment projections were estimated by MuniCap, Inc. based on data from the Assessment Administration Department. Fiscal year 2020 revenue and expense data was provided by the Office of the Comptroller. Inclusionary housing unit assessed values were estimated by MuniCap, Inc. based on data from the Department of Planning and Development.

Limitations

Projecting fiscal and employment impacts is not a precise science. There are different methods of projecting fiscal and employment impacts and different analysts will arrive at different conclusions. The conclusions in this study are not intended to be precise results, but rather, reasonable estimates that provide a general indication of the fiscal and employment impacts to the City of Newton from the proposed Project.