



Real Property Reuse Committee Report

City of Newton **In City Council**

Wednesday, December 16, 2020

Present: Councilors Danberg (Chair), Greenberg, Albright, Kelley, Markiewicz, Downs, Laredo, Kalis, Wright, Malakie, Gentile, Norton, Humphrey, Crossley, and Ryan

City staff Present: Housing Development Planner Eamon Bencivengo, Associate City Solicitor Andrew Lee, Associate City Solicitor Jonah Temple, Director of Planning and Development Barney Heath, ADA/504 Coordinator Jini Fairley, Chief Operating Officer Jonathan Yeo

Referred to the Real Property Reuse Committee

#65-20

Reuse of the West Newton National Guard Armory (295-19)

DIRECTOR OF PLANNING & DEVELOPMENT submitting on August 7, 2016 a letter recommending that the West Newton Armory located at 1135 Washington Street be evaluated for the purpose of leasing the property for redevelopment as 100% affordable housing or for municipal uses pursuant to Ordinance Section 2-7.

Action:

Real Property Reuse Committee Held 8-0

#65-20(2)

Reuse of the West Newton National Guard Armory (295-19)

JOINT ADVISORY PLANNING GROUP FOR THE WEST NEWTON ARMORY submitting, on November 13, 2020 its recommendations for the use of the West Newton National Guard Armory at 1135 Washington Street, which was declared available for sale or lease on September 17, 2019.

Action:

Real Property Reuse Committee Held 8-0

Note:

The Committee discussed items #65-20 and #65-20(2) together. The Committee was joined by members of the Planning Department, Law Department, Joint Advisory Planning Group (JAPG) and the Newton Housing Partnership. Associate Solicitor Andrew Lee presented an overview of next steps for the Real Property Reuse Committee with respect to the West Newton Armory. His presentation is attached to the end of this report. Atty. Lee explained that because the City does not own the West Newton Armory, the process is different. Atty. Lee noted that there is special legislation that authorizes the Division of Capital Asset Management and Maintenance (DCAMM) to sell the property to the City. The special legislation allows the City to purchase the property for the purpose for providing affordable housing units at a cost of \$1. The City may lease the property for the purpose of development and maintenance. Alternatively, the City may purchase the property for general municipal purposes at a cost representing approximately 25% of fair market value. A Joint Advisory Planning Group (JAPG) was formed to analyze and provide a recommendation on whether the City should acquire the property and for what purpose. While the City was originally expected to make a determination by December 31, 2020, DCAMM has agreed to an extension of the deadline to early 2021. The JAPG submitted their final report to the City on November 13, 2020. Atty. Lee explained that once

the City Council acts on the Real Property recommendation, the Executive Office is tasked with executing the details of the order. The Committee may incorporate conditions with respect to purchase of the property.

Chair of the JAPG, Ted Hess-Mahan presented details of the JAPG recommendation. He noted that the JAPG met with the Public Buildings Commissioner, Chief Operating Officer, National Guard, DCAMM, the Housing consultant. After collection and analysis, over a year, the JAPG unanimously recommended that the City purchase the West Newton Armory for the purpose of providing 100% permanently affordable housing. The JAPG recommends preparation and issuance of an RFP for the development and maintenance of the affordable housing, Pursuant to the special legislation, the use of the armory would be restricted to affordable housing and supportive services. While the JAPG was unanimous in their recommendation for 100% affordable housing, there were broad opinions about what the City might consider to include in an RFP. Some criteria for inclusion in the RFP includes; affordability levels, types of housing, # of units, accessibility. Mr. Hess-Mahan noted that the JAPG ultimately determined that the City should identify the most critical needs for a target population and base the RFP on that. Additionally, the JAPG recommends that the project should be financially feasible, and that the per unit cost should be no more than other affordable housing projects in Newton, the project should fit the Washington Street vision plan, provide sufficient parking and should be the appropriate scale height and character for the neighborhood. The JAPG recommends that the City work to preserve whatever components of the existing structure that can be preserved and with Newton and Mass Historic to ensure maintenance of the historic character of the building. The JAPG worked with Development firm Affirmative Investments to evaluate the options with respect to locating affordable housing at the site. Mr. David Ennis spoke on behalf of Affirmative Investments. He explained that the review process for the site includes the evaluation of structure, environmental conditions, zoning, historic, how the state and city would view the project, how the neighborhood would view the project, the location, city needs, cost analyses and parking analyses. It was noted that they engaged third party consultants to assess environmental conditions, oil spills, structural integrity, the title as well as a historic consultant. The findings have been incorporated in the recommendation of their development scenarios. The Phase I environmental study shows potential oil at the site as well as limited levels of lead and asbestos. The structural analysis shows that the building is in good shape. The field house building has significant degradation in the roof and floor joists and would need to be reconstructed. The title for the property raised no concerns and the historic consultant confirmed that there are no limit to construction on the exterior of the building, provided the renovations are necessary to the project. It was noted that the JAPG used conservative figures to provide the four different development scenarios. Mr. Ennis provided an overview of the summary matrix of the four different development scenarios and sample renderings as shown on the attached presentation. He noted that Scenario 2 and 3 are the most likely to be successful. No historic credits can be given for Scenarios 2, 3 or 4. It was confirmed that solar can be placed on any of the flat roofs.

In response to questions from the Committee, Mr. Ennis confirmed that a demo delay period can be waived after four months upon submission and approval of plans. He stated that as long as the site houses affordable housing, the state does not have a preference regarding renovating or demolition of the building but noted that if demolishing the building, the City will not be able to take advantage of historic credits.

He stated that parking is envisioned under the building and the number of parking stalls is based on other affordable housing projects. He noted that particularly with senior housing, spaces are needed for services but less critical for residents. Councilors noted that the commuter rail is not reliable, and the site should not be considered truly transit oriented. Councilors agreed that parking should be closely evaluated.

The budget assumes \$90,000/unit, totaling \$4.1 million dollars in City funds. All of the units are at 60% AMI. Councilors expressed appreciation for the analysis being conducted based on 60% AMI but questioned

whether there might be opportunities for lower levels of affordability (30%-50% AMI). Some concern was raised relative to the assumed funding sources and whether the contingency is sufficient or whether the City might be expected to provide additional funds. Mr. Ennis noted that the contingency for the renovation is 20% and for new construction is 5%, which is standard. He noted that the estimates used for construction are high as well. He stated that he believes the project will be attractive for developers in Newton based on the beneficial aspects of the site. Mr. Ennis noted that if the RFP is issued and developers are unresponsive or not able to deliver the development at the estimated costs, the City may return the property to DCAMM.

The Committee questioned how the head house can remain intact while changing the windows, what types of renovations for the windows are proposed, how the building can be made accessible if it is 6' above grade and whether there is any open space at the site. It was noted that the JAPG was asked to analyze other municipal uses (i.e., archival space) which may not have been fully considered.

The Public Hearing was Opened.

Jonathan Katz, member of the JAPG and an immediate neighbor, Mr. Katz noted that the armory project was announced it was before Dunstan East (234 units/59 affordable) was approved. He noted that as the project moves forward, it should be reviewed in the context of the Dunstan East development. He questioned how else the \$4.1 million dollars in city funds might be used, particularly in other market rate projects where there might be mixed incomes. Mr. Katz noted that there are other, more family friendly neighborhoods with more open space, better access to public transportation. He noted that the unit sizes are 850-900 sq. ft. for a two-bedroom unit, 1000+ sq. ft. for a three-bedroom and 650 sq. ft. for a one-bedroom unit.

Joe Li, noted that his property is on the other side of Trader Joes. He noted that with families, there will be a negative impact from the marijuana store.

Sue Parsons, Co-Chair of the JAPG reiterated that the process will take a long time. She noted that the RFP and the developer's responses will shape the project including; number of units, parking stalls, space for recreation, etc. She noted that the JAPG did meet with department heads to discuss alternative municipal uses. She explained that DCAMM noted that the City would have to pay 25% for the project, no mixed use would be allowed. She stated that City Clerk David Olson acknowledged that archival space wouldn't fill the whole armory. She noted that all types of affordable housing units are needed in the city.

Mr. Hess-Mahan reiterated that the JAPG looked at municipal needs as well as the issue of affordable housing. He noted that there are parks and playgrounds nearby as well as amenities in West Newton Square.

Eliza Datta, spoke on behalf of the Newton Housing Partnership. Ms. Datta noted that the Housing Partnership has been updated as well as able to provide some input. Ms. Datta expressed support for the recommendation to move forward with the redevelopment of the site as affordable housing. Ms. Datta emphasized the need for more deeply affordable housing and noted that 30%-50% AMI ranges from households earning \$60,000-\$70,000.

Mitch Fishman, member of the JAPG, emphasized the need for affordable housing, particularly family housing. He noted that there is limited green space but acknowledged that there are parks in the vicinity. He suggested that the RFP include some bonuses for family housing and suggested a limit of four stories.

Marcia Johnson, Bemis Road, noted there are things for children to do in the neighborhood. She expressed support for affordable housing at the site with a focus on families and in the context of the Washington Street Vision Plan.

Jini Fairley, noted that seniors and people with disabilities often have a need for a second bedroom. She noted that many families often have family members with disabilities. Ms. Fairley expressed support for lower-level AMI affordability and noted that no new construction in the City has units at 30% AMI.

Councilors emphasized their support for inclusion at lower levels of affordability as well as mixed levels of housing. Some concern was raised relative to limiting the development to any one population. The Committee noted that many of the details of the project will fall on the RFP and Planning. The Committee expressed support for allowing additional time to contemplate conditions for the order and requested that the Law Department and Planning Department provide draft orders in advance of the next Real Property Reuse meeting. The Chair closed the public hearing but confirmed that there will be additional opportunities for public comment. Councilors expressed appreciation for the work of the JAPG, the consultant and the work by the Planning Department. With that, Councilors voted unanimously in favor of holding the item with a motion from Councilor Kelley.

The Committee adjourned at 9:50 pm.

Respectfully submitted,

Victoria Danberg, Chair

REAL PROPERTY REUSE PROCESS

CITY OF NEWTON – WEST NEWTON ARMORY

DECEMBER 16, 2020

INTRODUCTION

THIS IS NOT THE TYPICAL REUSE PROCESS

- ❖ The City does not yet own the Armory & the City must determine its intended use of the property prior to purchase as the use determines the purchase price.
- ❖ The Mayor previously requested authorization from the City Council to purchase the Armory.
- ❖ On June 17, 2019, the Council authorized the Mayor to purchase the Armory “for affordable housing or a public use for a price to be determined.”
- ❖ The Council’s authorization was amended to request that the Mayor start the real property reuse process as quickly as possible in order to form a Joint Advisory Planning Group.

SPECIAL LEGISLATION

Acts (2020)

Chapter 157

**AN ACT AUTHORIZING THE DIVISION OF CAPITAL ASSET
MANAGEMENT AND MAINTENANCE TO CONVEY A
CERTAIN PARCEL OF LAND TO THE CITY OF NEWTON.**

Approved, August 14, 2020.

SECTION 1. (a) As used in this section, "affordable housing" shall mean low-income housing as defined in section 1 of chapter 40T; provided, monthly housing costs shall not exceed 30 per cent of the monthly household income.

(b) Notwithstanding sections 22 through 27, including of chapter 7C of the General Laws, the commission within the city of Middlesex so known as and may be conveyed solely for the which shall restrictions. The shall be conveyed the commonw

(c) The use be restricted to supportive services special law to section 16 of may lease the

(c) The use of the parcel, if conveyed pursuant to section 1, shall be restricted to providing affordable housing units and may include supportive services. Notwithstanding the foregoing or any general or special law to the contrary, but subject to paragraphs (a), (b) and (g) of section 16 of chapter 30B of the General Laws, the city of Newton may lease the parcel or portions thereof to other entities, for nominal consideration, and enter into agreements with other entities to develop, construct, operate and maintain improvements related to the affordable housing units.

consideration, and enter into agreements with other entities to develop, construct, operate and maintain improvements related to the affordable housing units.

(d) The city of Newton shall use its best efforts to complete the construction and development of the parcel for affordable housing.

SECTION 2. (a) Alternatively, notwithstanding sections 32 to 37, inclusive, of chapter 7C of the General Laws or any other general or special law to the contrary, the commissioner of capital asset management and maintenance may convey a certain parcel of land located within the city of Newton, described in a deed recorded in the

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Newton; provided, however, that the use of the parcel shall be restricted to general municipal purposes. The parcel shall be conveyed by deed without warranties or representations by the commonwealth. The consideration for the conveyance of the parcel pursuant to this section shall be the fair market value of the parcel as determined by the commissioner of capital asset management and maintenance based upon an independent professional appraisal, taking into consideration the restriction on the use of the parcel set forth in this section. The

(b) The deed or other instrument conveying the parcel to the city of Newton pursuant to this section shall state that said parcel shall be used solely for the purposes described in subsection (a) and shall include a reversionary clause that stipulates that if the parcel ceases at any time to be used for the allowed purposes set forth in this section title to the parcel shall, at the election of the commonwealth, revert to the commonwealth. Said reversionary clause shall contain provisions requiring that the city of Newton receive reasonable notice of and a reasonable time to cure any allegation that the parcel is not being used for the purposes set forth in this section.

SECTION 4. If the city of Newton does not complete a purchase

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SECTION 4. If the city of Newton does not complete a purchase of the property pursuant to sections 1 or 2 of this act on or before December 31, 2020, or such time after as agreed to by the city of Newton and the commissioner of capital asset management and maintenance, then, notwithstanding sections 33 to 37, inclusive, of chapter 7C of the General Laws or any other general or special law to the contrary, the commissioner of capital asset management and maintenance may sell, lease for a term up to 99 years, including all renewals and extensions, or otherwise grant, convey or transfer to purchasers or lessees an interest in the property or portions thereof,

by the state secretary pursuant to section 20A of chapter 9 of the General Laws stating the availability of the property, the nature of the competitive bidding process, including the time, place and manner for the submission of bids and proposals and the opening of the bids or proposals and such other information as the commissioner considers relevant.

The City Department responsible for subject property submits to the Mayor a written record of the decision to declare property available for sale, lease or for a different municipal purpose.



The Mayor docket the written record with the Clerk and the Clerk notifies the Director of Planning and Development.



The Director submits a written report to the Clerk recommending whether the property should be transferred to a different department or declared available for sale or lease.



The Clerk docket the item with the City Council for referral to real property reuse committee (the "Reuse Committee").



Reuse Committee makes an **initial determination** that either: (a) City should retain property—in the custody of the same or different department; or (b) property should be made available for sale or lease.

- ❖ Reuse Committee has discretion to hold a public hearing prior to making initial determination



Initial Determination = Sale/Lease



Joint Advisory Planning Group ("JAPG") is created

JAPG

The JAPG worked with the Planning Department to identify whether the Armory should be leased by the City for 100% affordable housing or retained by the city for an identified municipal use.

The JAPG has filed a written report containing its recommendation to the Reuse Committee.

PUBLIC HEARING

Following submission of the JAPG report, the Reuse Committee must hold a public hearing within 30-60 days.

The purpose of the hearing is to hear the views of the public and all interested parties with regard to the future use of the property.

Notice is required to abutters.

REUSE COMMITTEE RECOMMENDATION

The last step for the Reuse Committee after the close of the public hearing is to vote on a recommendation to the full City Council.

The Reuse committee shall take into account the effect of the proposal on the neighborhood and on the city as a whole and determine that its recommendation is consistent with the goals and policies of the Comprehensive Plan for the city

- ❖ Recommend that the property be sold or leased
 - ❖ *Set minimum sale price*
 - ❖ *Specific use characteristics of the property*
- ❖ Recommend that the property be retained by the City for an identified purpose

FULL CITY COUNCIL VOTE

Within 60 days of the Reuse Committee's recommendation, the full City Council is required to vote on a resolution to the Mayor for the disposition and future use of the property.

- ❖ 2/3rd vote required.

- ❖ Resolution may authorize the Mayor to lease or sell all or a portion of the property and set minimum financial terms.

The Mayor then takes appropriate action based on the Council's recommendation

NOTE: The Mayor is not required to purchase the Armory after the conclusion of the reuse process. The purchase and sale/lease of property requires action by both the executive and legislative branches.

WEST NEWTON ARMORY FEASIBILITY STUDY AGENDA FOR REAL PROPERTY REUSE COMMITTEE MEETING DECEMBER 16, 2020



- Goals of Feasibility Analysis
- Background of AI and DHK
- Third Party Analyses
- Community Engagement
 - JAPG, NHP, NHC, City Law Department, DCAMM, Newton Housing Authority, Jini Fairley
- Four Scenarios
- Conclusions

SUMMARY MATRIX OF DEVELOPMENT SCENARIOS

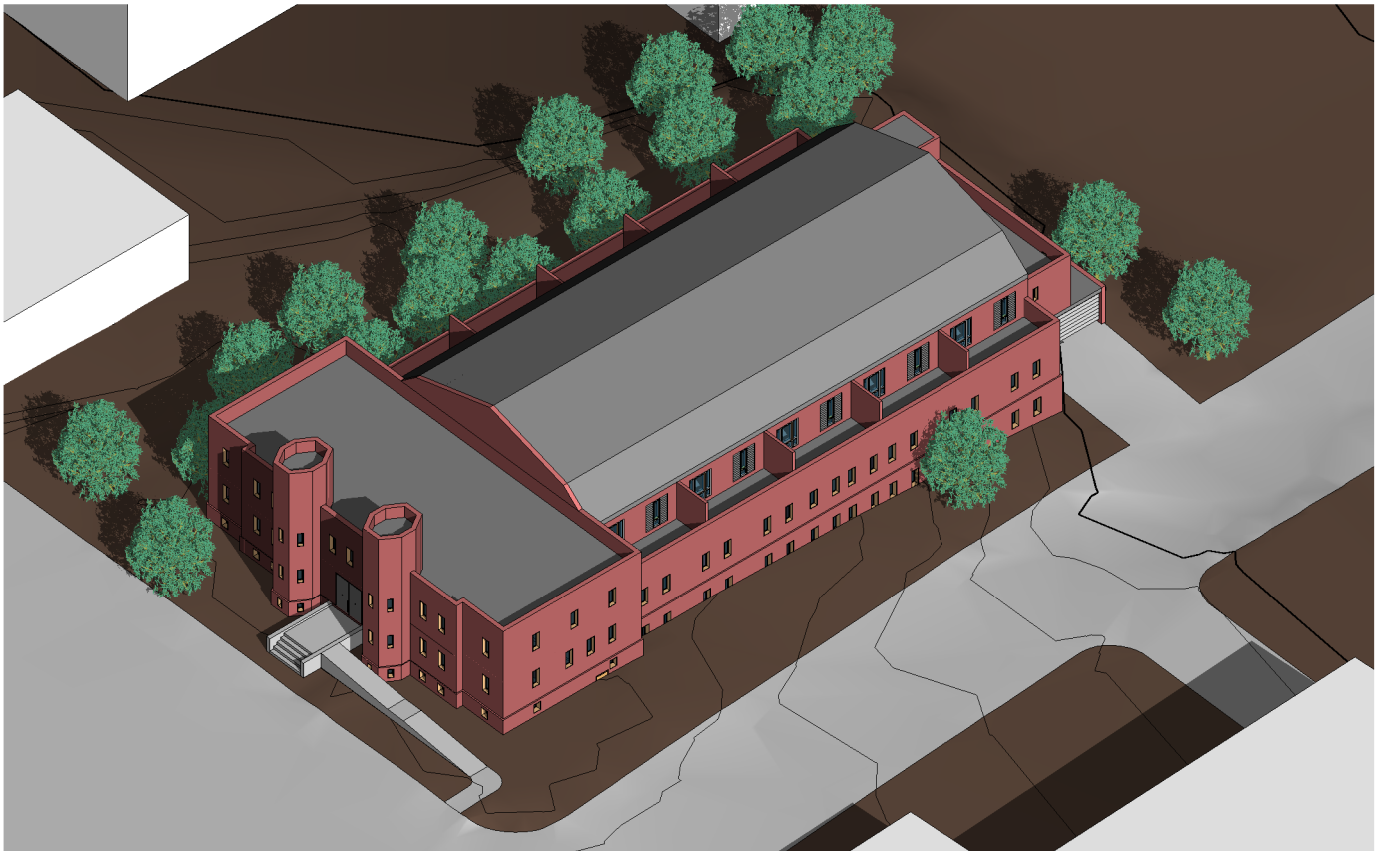
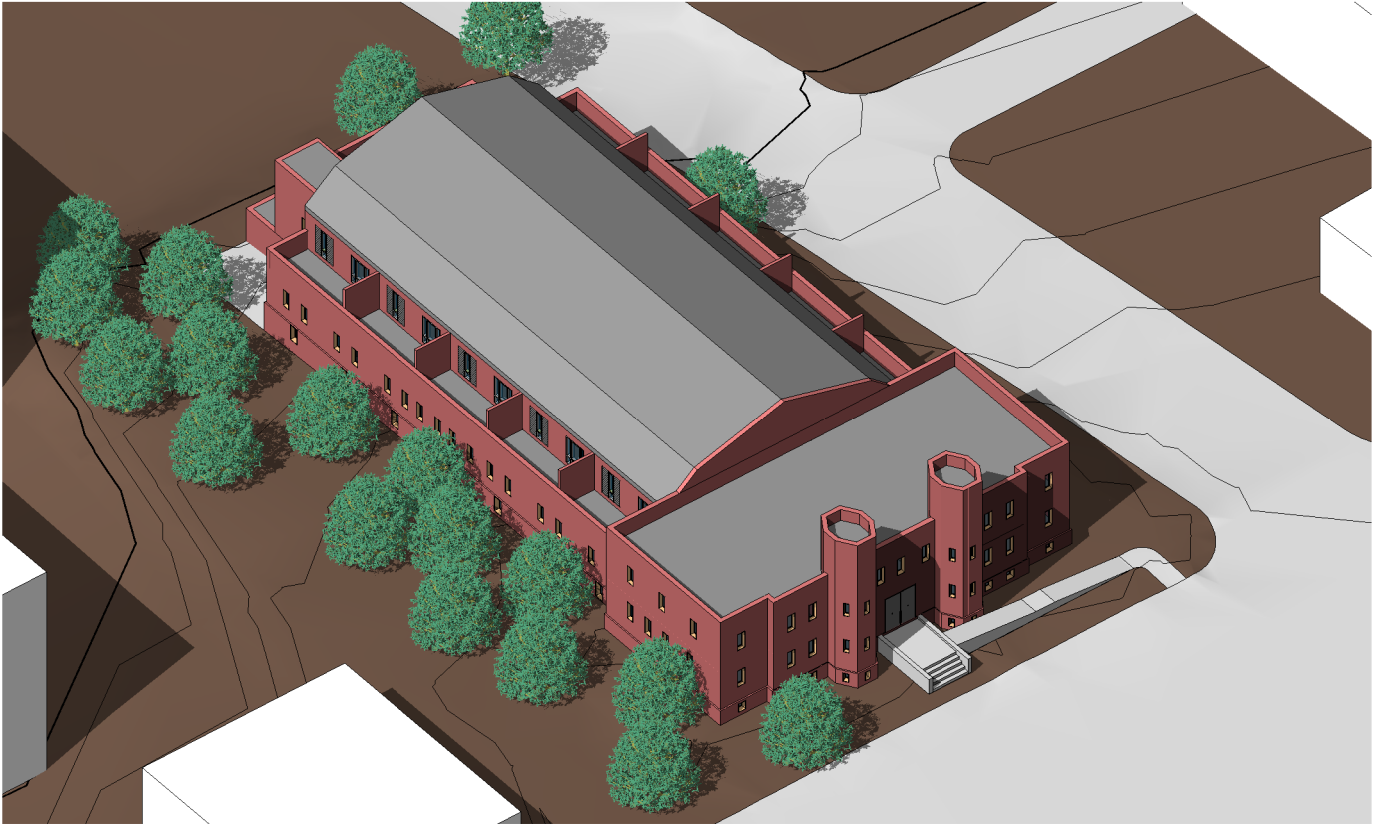
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
	Use existing building Use historic tax credits	Keep head, demolish field Mixed - preservation/new const.	Keep head, demolish field Mixed - preservation/new const.	Full demolition New construction
Number of units	31	44	44	46
Type of units	Senior/Special Needs	Senior/Special Needs	Family	Family
Cost per unit	\$ 753,133	498,526	\$ 587,636	\$ 546,100
(Gap)/Surplus	\$ (1,585,111)	\$ 0	\$ 0	\$ 0
Parking Spots	16	23	44	46.00
Parking Ratio	0.5	0.5	1.00	1.00
Stories <i>Front</i>	2 stories	2 stories	2 stories	3 stories
<i>Back</i>	1.5 stories	4 stories	5 stories	4 stories
Unit Type Mix <i>1 Bedroom</i>	31	44	10	9
<i>2 Bedroom</i>			29	30
<i>3 Bedroom</i>			5	7
	Considerations: Historic Cost per unit Accessing state credits Achieving consensus	Historic Achieving consensus	Historic Achieving consensus Cost per unit	Historic Achieving consensus Cost per unit
	Feasible	Not feasible	Feasible	Feasible



PLANS & RENDERINGS



*SCENARIO 1
PRESERVATION &
REUSE*



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: **C107**

Drawing Title:
SCENARIO 1 - VIEWS 2

Ref Sheet:

Scale:

Drawn by:
ZG

Checked by:
MK

Date:
11/25/20

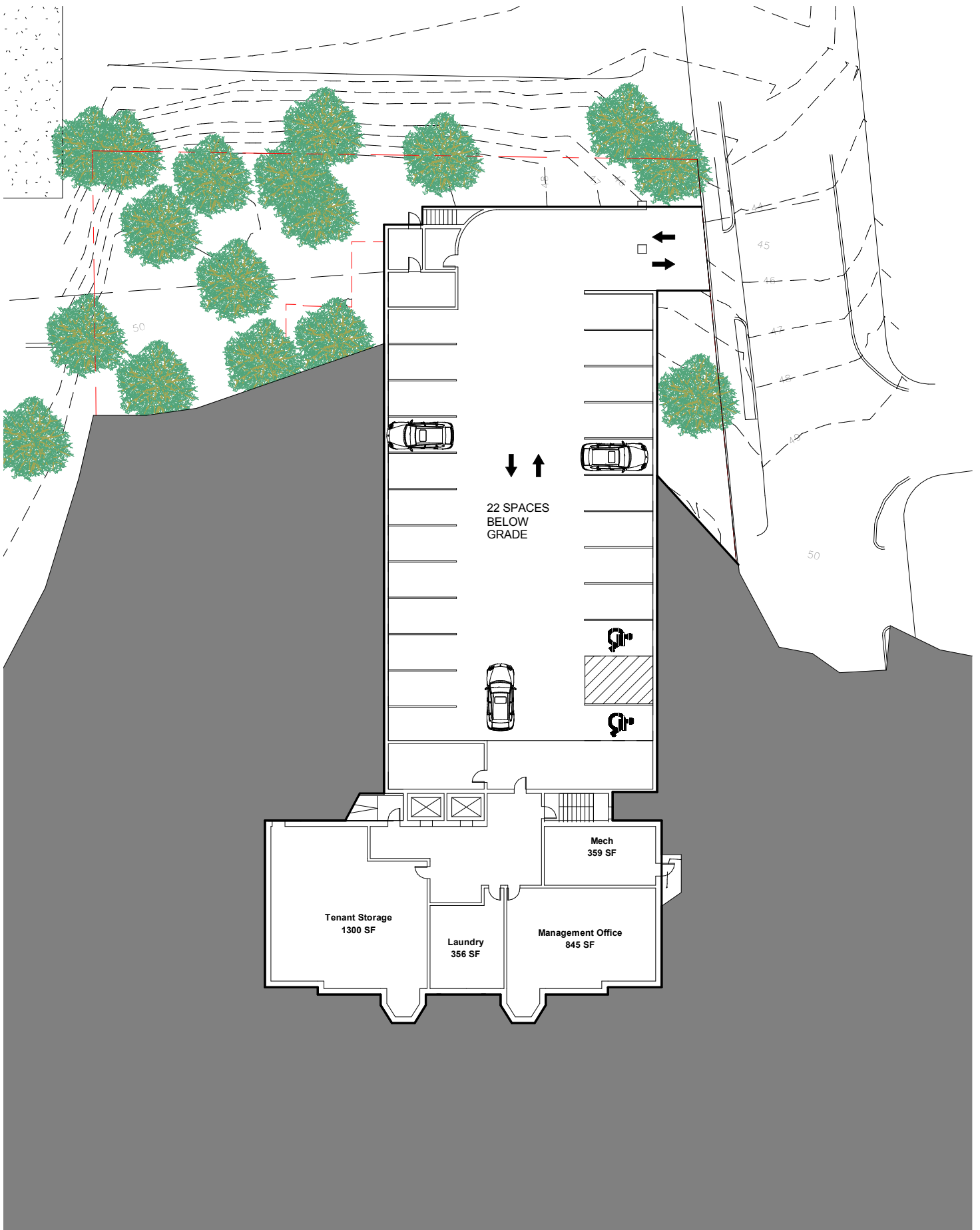
Part of:



DHK ARCHITECTS, INC
54 CANAL STREET
SUITE 200
BOSTON, MA 02114



*SCENARIOS 2 AND 3
PARTIAL PRESERVATION*



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: B101

Drawing Title:
SCENARIO 2 - BASEMENT PLAN

Ref Sheet:

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1" = 30'-0"

Drawn by:
ZG

Checked by:
MK

Date:
11/25/20

Part of:



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WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: B102

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SCENARIO 2 - LEVEL 1 PLAN

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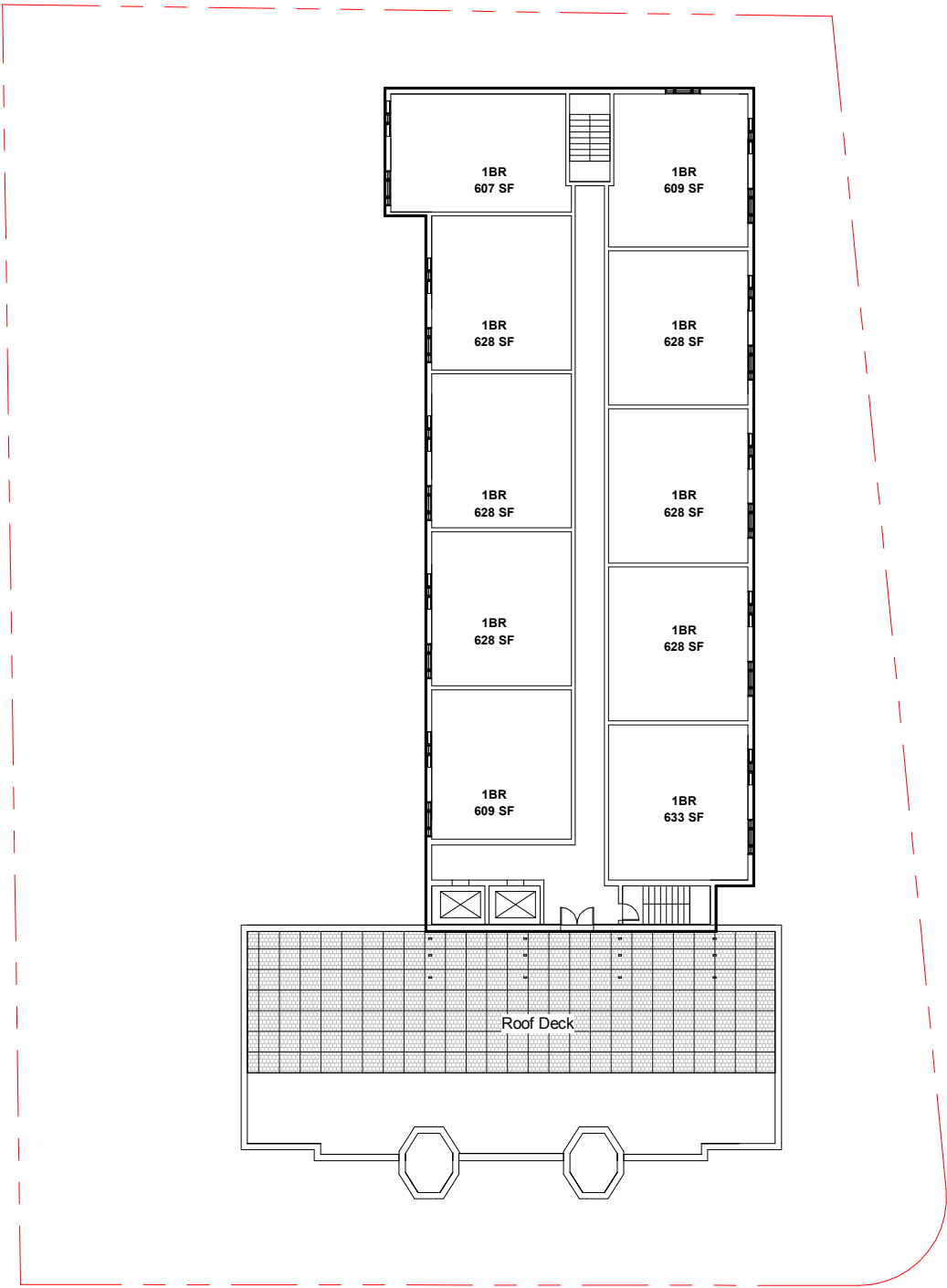
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WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: B104

Drawing Title:
SCENARIO 2 - LEVEL 3 PLAN

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1" = 30'-0"

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11/25/20

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WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: B107

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SCENARIO 2 - VIEWS 1

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WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

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SCENARIO 3 - SITE PLAN

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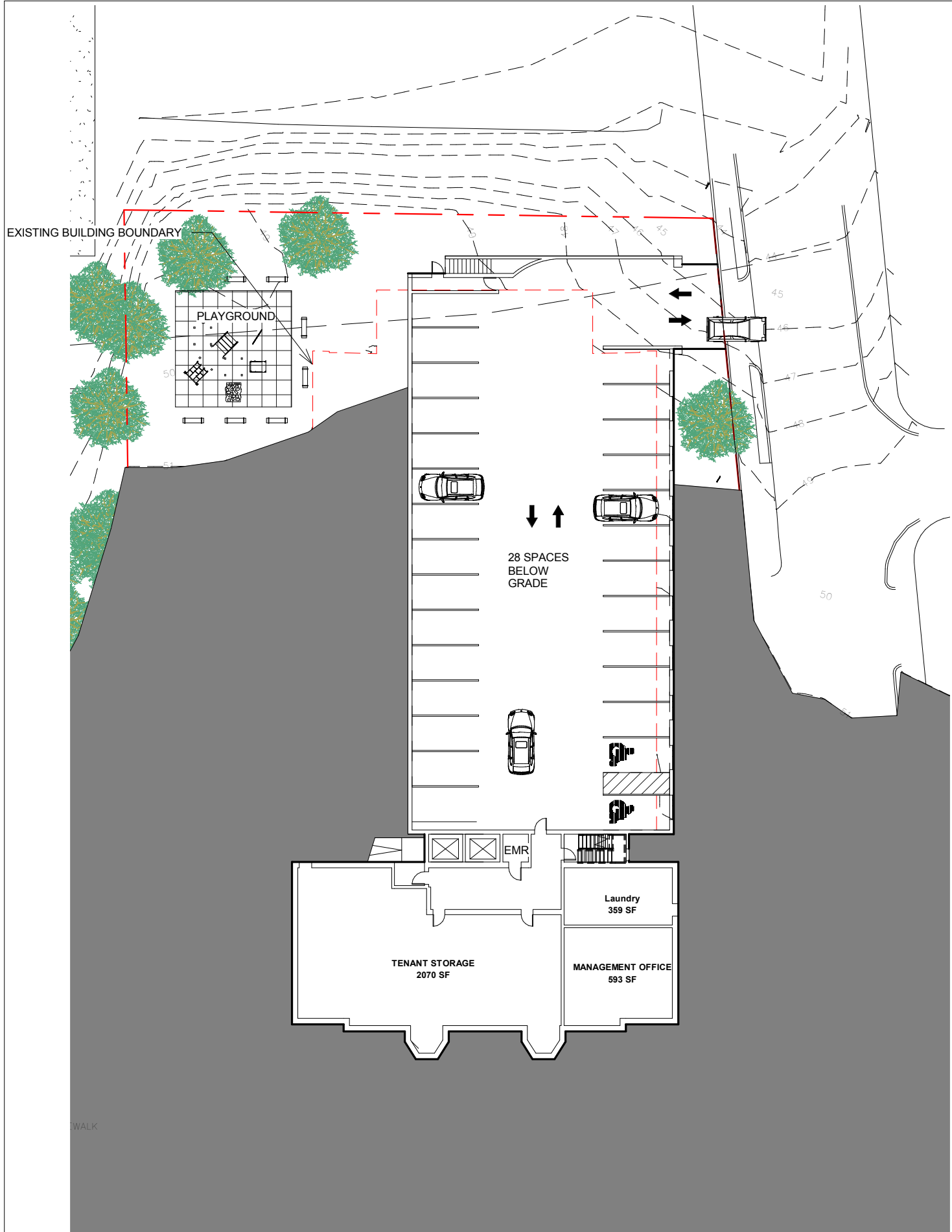
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BOSTON, MA 02114



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: A101

Drawing Title: SCENARIO 3 - FAMILY MIX BASEMENT PLAN

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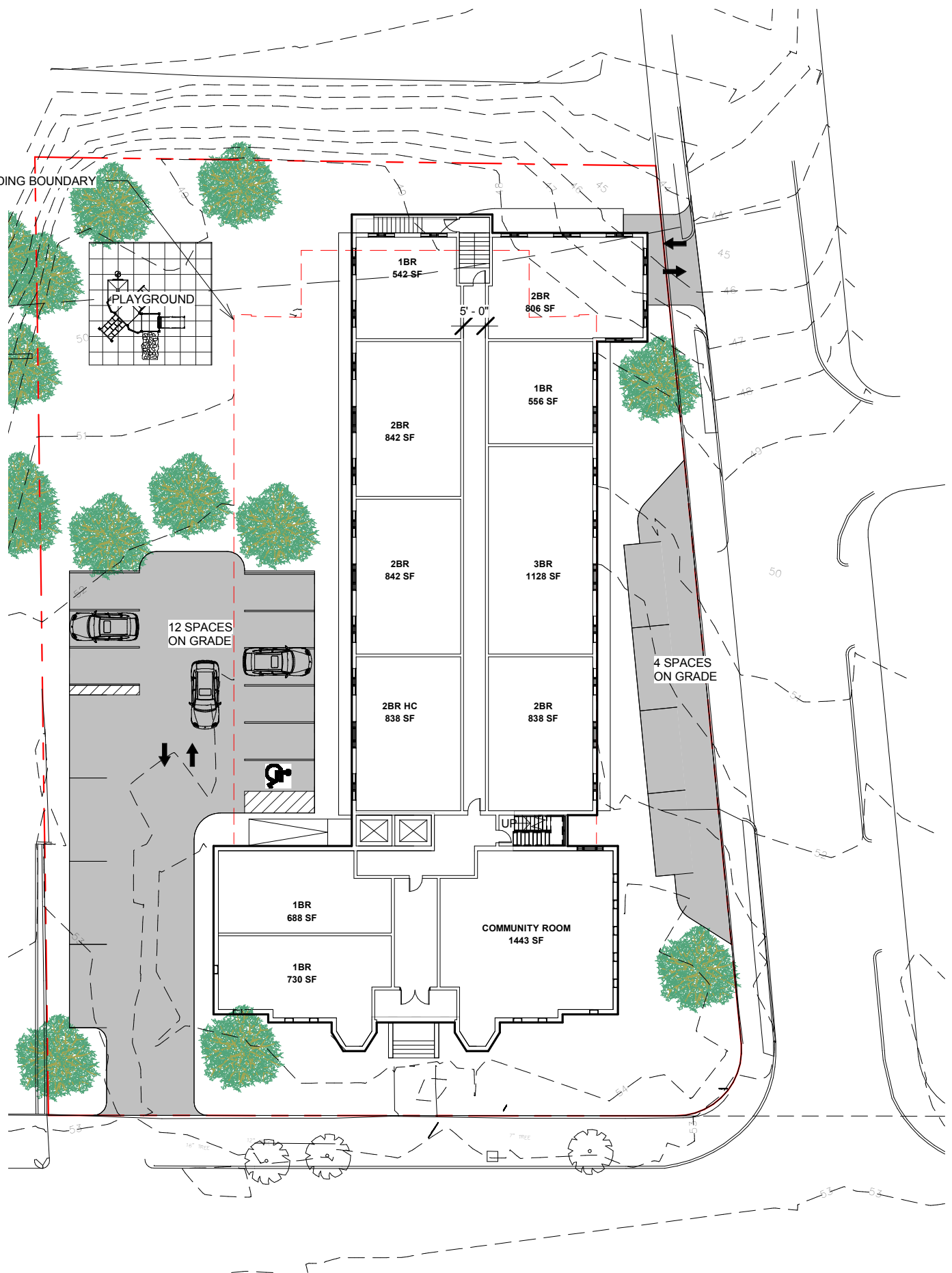
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BOSTON, MA 02114

EXISTING BUILDING BOUNDARY



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

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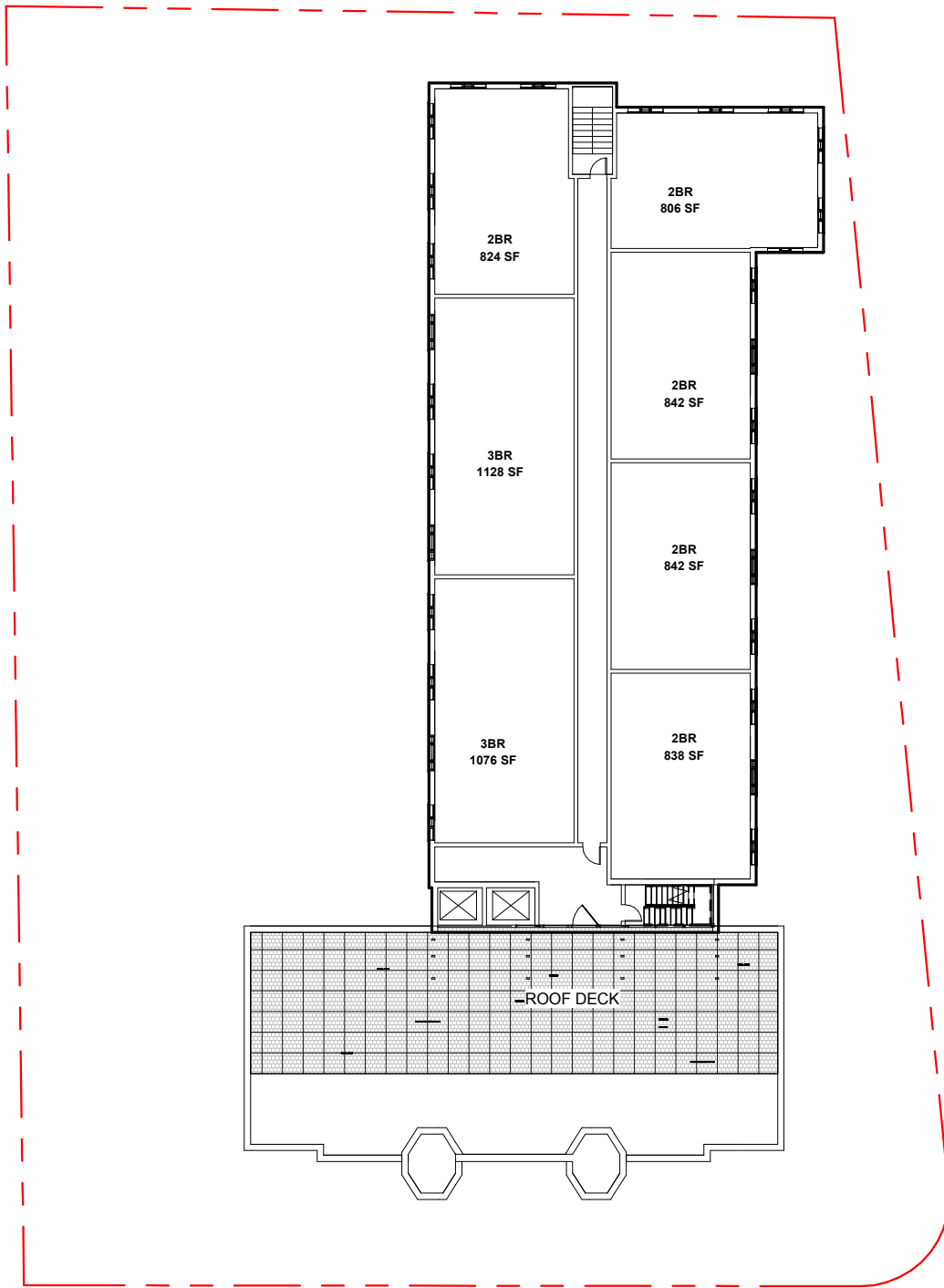
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① Level 3
1" = 30'-0"

WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: A104

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SCENARIO 3 - FAMILY MIX LEVEL 3 PLAN

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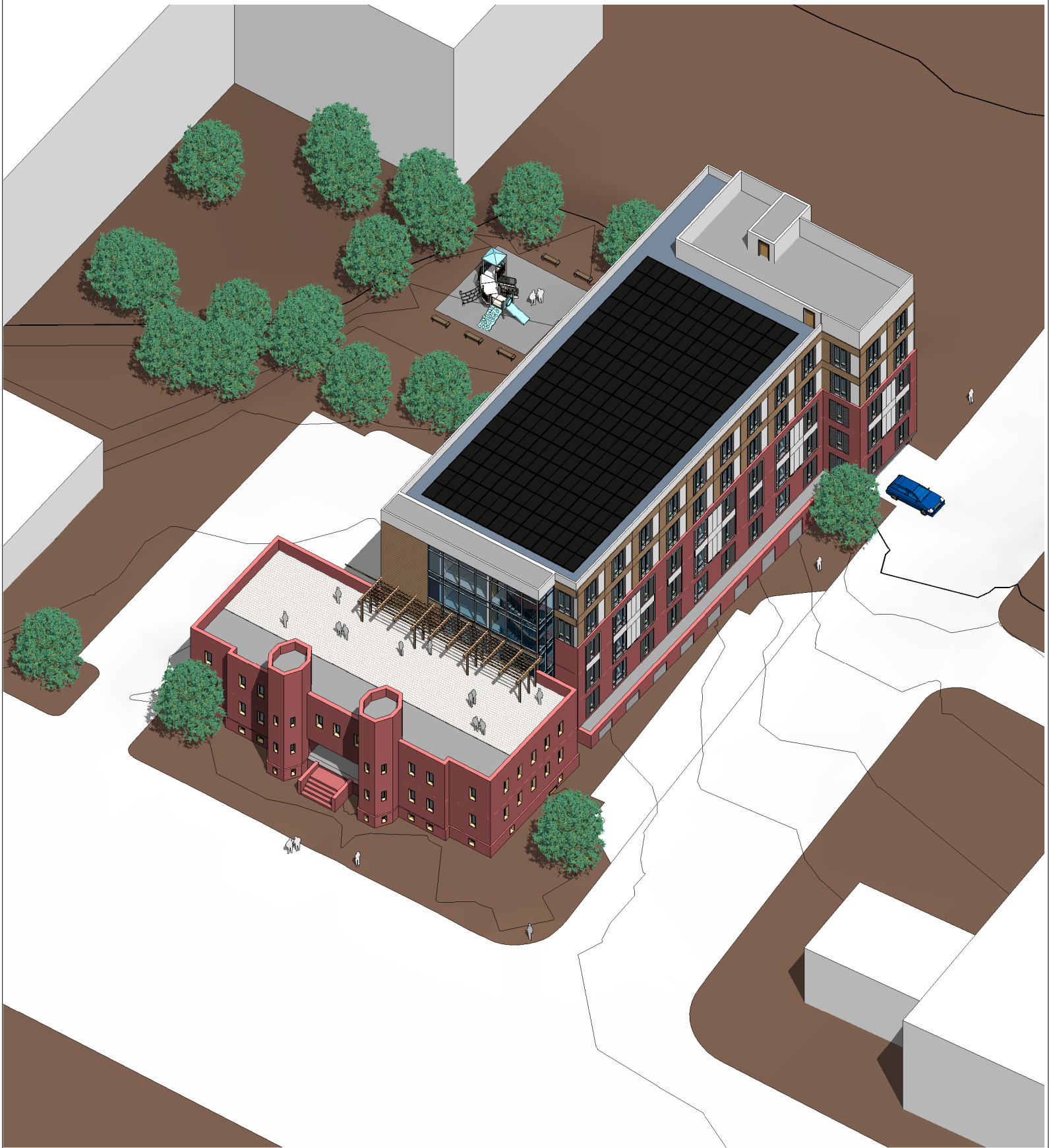
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11/05/20

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SUITE 200
BOSTON, MA 02114



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: A110

Drawing Title:
SCENARIO 3 - FAMILY MIX - VIEWS 1

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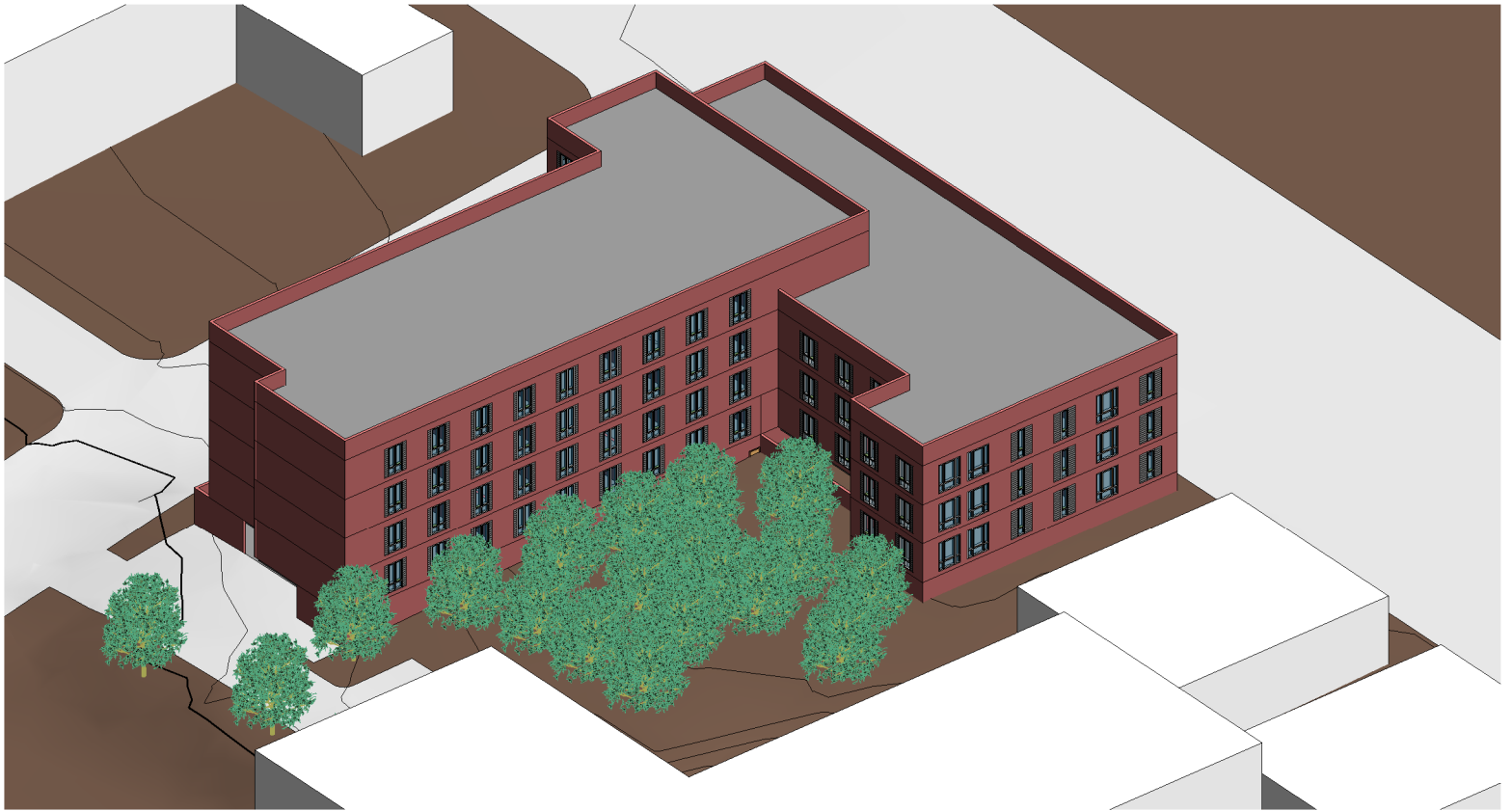
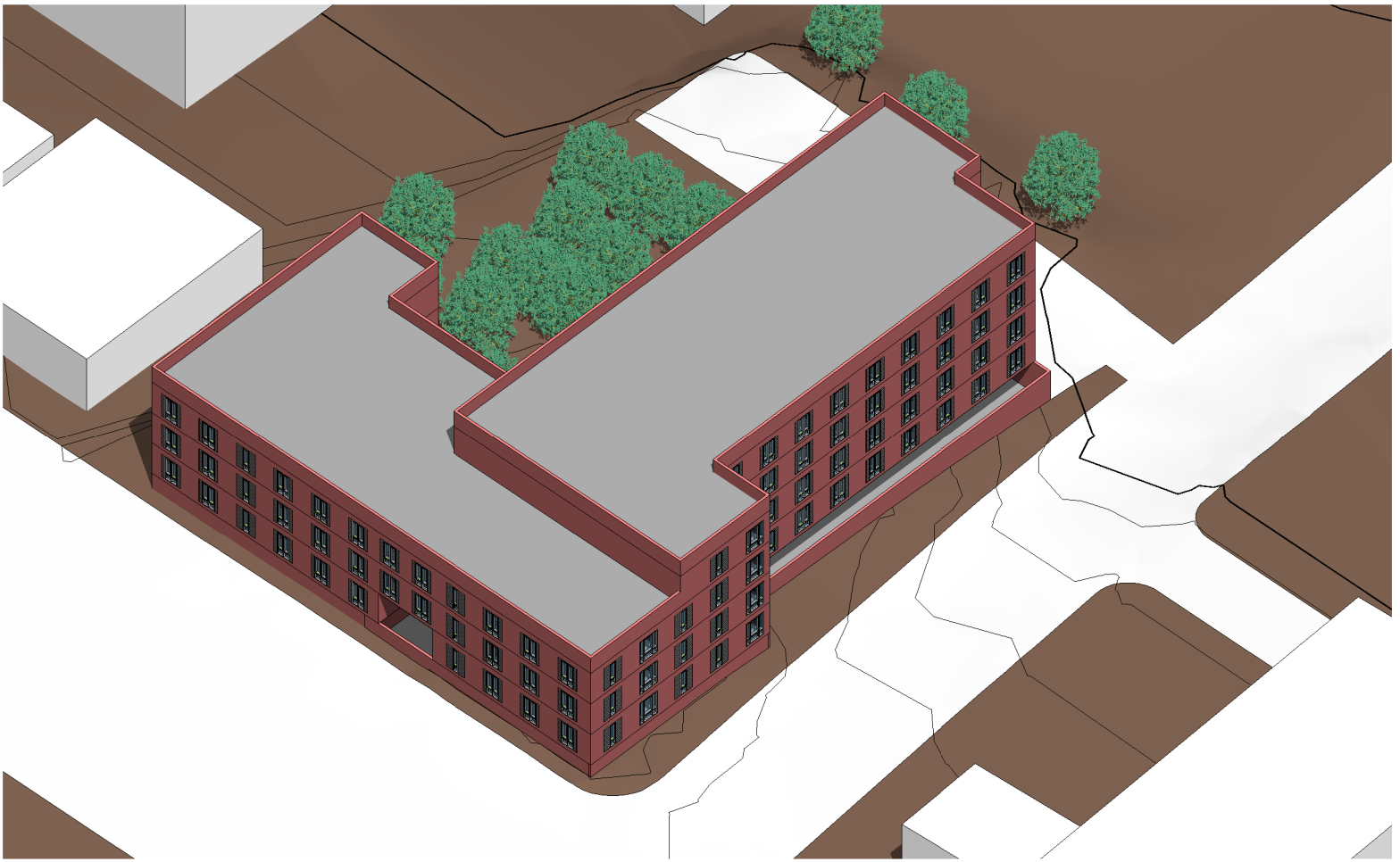
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SCENARIO 4
FULL DEMOLITION



WEST NEWTON ARMORY, 1137 WASHINGTON STREET, NEWTON, MA

Sketch No: **D107**

Drawing Title:
SCENARIO 4 - VIEWS 1

Ref Sheet:

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ZG

Checked by:
MK

Date:
11/25/20

Part of:



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