
Kouril Grieser: Orr block rezoning a bad idea

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By Kathleen Kouril Grieser

Experienced property speculator Robert Korff purchased Newtonville's historic, but faded, Orr Block and adjacent properties knowing he could profitably build an attractive retail, commercial and residential complex there under the existing business zoning. Yet Korff wants our city councilors to hand him a multimillion-dollar public gift — an MU4 zoning change, special permit and waivers — so he can profit even more from a five-story "Washington Place" luxury apartment development. But what's good for him is terrible for Newton residents...

Giving Korff MU4 would trigger transformation of Newton's streets and villages into canyons of five-story or more "mixed-use" apartment buildings. That prospect has reportedly instigated a flurry of offers on properties — from Newtonville to Auburndale — contingent on Monday's vote. The gift would set a precedent for developers to extract identical upzoning from the City Council — or the courts — for other parcels.

They could cite the 2016 "Housing Strategy" commissioned by presumed gubernatorial candidate Setti Warren... with our tax dollars. That report details scores of locations — in every part of Newton — where the outgoing mayor supports high-density development. If you don't remember voting to build huge apartment buildings near your home, that's because you weren't offered a vote on his developer-friendly agenda. However making Newton more crowded and expensive plays on the campaign trail statewide, for people here, it's a slap in the face.

Residents need confidence that their investment in their home and community is secure, meaning zoning has to be stable to work. Well-governed municipalities use zoning to ensure balanced residential, public and open space, plus a commercial tax base sufficient to subsidize public schools,

services and infrastructure. Open space helps, costing relatively little to service. In ~~179~~¹⁶ converting business zones to the primarily residential MU4 hurts Newton. Almost all housing costs more in services than it yields in taxes; the higher the density, the worse the fiscal impact.

Newton is a built-out, mature suburb with a structural fiscal problem. Our commercial tax base shrank as the cost of providing services to residents grew. The schools absorb almost two-thirds of Newton's budget. Newton hasn't properly funded public employees' retiree benefits, so taxpayers face a billion-dollar debt. The last thing we need is high-density housing. That's why protection of the Wells Avenue business park and Rockport's new headquarters in existing commercial space are good news. And why changing business-zoned property to MU4 is fiscally irresponsible.

Moreover, any zoning change allowing increased density instantly pushes up the development potential, and price, of that property and property nearby. Higher density leads to higher housing prices. Economics 101 doesn't apply: lowering prices for widgets by increasing supply to meet demand. Land is nothing like widgets. It's extremely difficult to create more, every parcel is unique, and prices are determined by multiple, variable factors. Nor are housing units interchangeable. A \$700,000 house with a backyard and privacy isn't the same as a \$700,000 condo in a multi-unit on the same lot.

When supply of land in a desirable place — like Newton — is limited, housing prices will mostly hold steady or rise, but that rise will be more manageable if zoning is constant. Upzoning — allowing more units to be built on a lot — increases the lot price because a speculator will pay more to get it. The new, often smaller, units typically cost more than those replaced. People determined to access Newton's schools will outbid each other, paying more and more for less and less space, like their counterparts in San Francisco, Seattle, Portland... and Brookline.

Whether at Court Street, the Avalons or Elm Street, higher density is associated with higher housing prices in Newton. Mayor Warren's Housing Strategy noted this dynamic, cautioning that the city couldn't build its way to housing affordability. The relationship between increasing density and prices has been well documented by economists at the London School of Economics and other institutions.

Korff's proposal has other costly impacts. Since Newton has surpassed its required contribution of state-recognized ("SHI") affordable housing, the City Council has regained the power to demand higher percentages of such housing from developers, not less. Korff's offer of 15 percent SHI units doesn't even match state standards. His 10 percent "workforce housing" isn't recognized as

affordable housing by the state. Korff's project won't improve our SHI standing. Instead, it endangers hard-won 40B immunity and local land use control. That's too high a price to pay for one spruced-up intersection.

Korff can impose on all Newton residents his externalized costs — parking, traffic, services and school for additional residents — but the oppressive impacts on Newtonville Historic District abutters are an unjust burden on them alone. Displacement is a cost: Korff's tenants must leave. Others along Washington Street can get only short-term leases. Higher rents displace families and small businesses Newton's leaders say they value.

Disturbingly, speculator-driven densification concentrates land ownership and wealth in fewer hands, reversing the American Dream. As more settle for units without owning land, they become vulnerable to the economic and political power of those who do. But suburbs, with less density and income inequality than urban areas, still offer a housing ladder for Americans, including the record numbers of minorities buying houses, backyards and economic security.

Going the other way, Korff's proposal is a manifestation of the property speculation, densification and gentrification that are making Newton increasingly unaffordable for non-millionaire newcomers, and for many who live here struggling to afford to stay. The Brookline model of estates at the top, subsidized units at the bottom, and over-priced stack-and-pack units for the middle class is nothing to emulate.

Newton is a caring community of generous, hardworking people at all income levels. There's nothing "welcoming" about displacement or destroying the dreams of everyday Newton residents. Our city councilors are too intelligent and responsible, I believe, to vote for Korff's request, because it hurts Newton. Today, please ask the city councilors to vote "no" to the requested rezoning, special permit and waivers for Washington Place, via City Clerk David Olson at:
dolson@newtonma.gov.

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Kathleen Kouril Grieser lives in the former home of Horace Orr who, a century ago, was a businessman and civic leader in Newtonville and the builder of the once-handsome Orr Block buildings Robert Korff plans to demolish.

