

## City of Newton, Massachusetts

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Barney Heath Director

#### CONTINUED PUBLIC HEARING MEMORANDUM

**DATE:** September 9, 2016

**MEETING DATE:** September 13, 2016

**TO:** Land Use Committee of the City Council

**FROM:** Barney Heath, Director of Planning and Development

James Freas, Deputy Director of Planning and Development

Alexandra Ananth, Chief Planner for Current Planning

**CC:** Petitioner

**Planning Board** 

#### PETITION #179-16 & #180-16

**NW corner of Washington and Walnut Streets** 

Request for a change of zone to Mixed Use 4 and for special permits to construct a mixed-use development consisting of three buildings with heights up to 60 feet and 5-stories incorporating 171 residential units, approximately 40,000 square feet of commercial space and 346 parking spaces.

The Land Use Committee (the "Committee") opened the public hearing on June 7, 2016, and the hearing was held open. A site visit was held by the Committee on June 13, 2016 and the hearing was continued on July 12, 2016. In response to questions raised at the Land Use Committee public hearings or by written communication thereafter, and/or staff technical reviews, the Planning Department is providing the following information and analysis for the upcoming continued public hearing. This information is supplemental to staff analysis previously provided at public hearings. It should be noted that the petitioner provided detailed responses to the Planning Department to many of the questions asked by members of the Council and that the Planning Department synthesized their responses with their own analysis to respond to the questions in this memorandum.

The September 13, 2016 meeting will focus on the program for affordable/mixed income housing, the Fiscal Impact Report and the amount of office space proposed. An October meeting will focus on an update of the design of the building and intersection. This meeting is expected to occur on October  $6^{th}$ .

#### **Fiscal and Demographic Questions**

# What is the total square footage of space in the buildings that exist on site today, broken down by residential and commercial space?

Existing uses on the site include 20 residential units totaling approximately 17,000 square feet, approximately 45,000 square feet of commercial uses which include retail uses, restaurant uses, the gas station and the Boston Ballet School (a nonprofit educational use), and approximately 13,000 square feet of office uses.

Residential 17,248 SF
Commercial 44,761 SF
Office 12,946 SF
Total 74,955 SF

The proposed mix of space for the project includes 40,000 square feet of commercial uses and 171 residential units totaling approximately 200,000 square feet.

#### What is the assessed value of the current space broken down by residential and commercial space?

The existing commercial space has an assessed value of approximately \$9,231,000.

The existing residential space has an assessed value of approximately \$4,099,000.

The total assessed value for the existing site is \$13,330,000, with an annual benefit to the City of \$149,337.

# What is the assessed value of the current proposal broken down by residential and commercial space?

#### **Current Proposal:**

	Gross SF	% of Total	Rentable SF	% of Total	# of Units
Commercial	39,745	17%	39,745	21%	-
Residential	198,330	83%	153,900	79%	171
Total	238,075	100%	193,645	100%	171
Fiscal Impact	Assessed Value	Revenue	Muni. Cost	Edu. Cost	Net Annual Benefit
Commercial	\$11,924000	\$261,602	(\$52,320)	\$0	\$209,281
Residential	\$50,440,000	\$599,656	(\$98,475)	(\$355,200)	\$145,981
Total	\$62,364,000	\$861,257	(\$150,795)	(\$355,200)	\$355,262

The Planning Department shared the Fiscal Impact Report with the Assessing Department who confirmed that the petitioner's projected assessed value is accurate.

#### What would the fiscal impact be if the project was one-third commercial?

	GSF	% of Total	RSF	% of Total	# of Units
Commercial*	79,358	33%	79,358	24%	-
Residential	158,717	67%	123,161	76%	137
Total	238,075	100%	193,645	100%	137
Fiscal Impact	Assessed Value	Revenue	Muni. Cost	Edu. Cost	Net Annual Benefit
Commercial	\$23,808,000	\$522,337	(\$104,467)	\$0	\$417,869
Residential	\$40,508,000	\$481,506	(\$78,806)	(\$294,249)	\$108,452
Total	\$64,316,000	\$1,003,843	(\$183,273)	(\$294,249)	\$526,321

This calculation assumes that the commercial space can be filled and leased at market rates.

## Would the petitioner be willing to add office space in place of some market rate housing so that this project can be more of a fiscal benefit to the City?

The petitioner has stated that they spent significant time analyzing the demand for office space in Newton and specifically at this location. Based on their research and conversations with the brokerage community it is the petitioner's position that office space is not feasible for a multitude of reasons including:

- New construction demands a rent that is higher than what the current office market supports in this location.
- The distance from exits on the major interstates (I-90, I-95/128) makes this location less desirable for office users.
- Office floor to floor heights are higher than residential heights and would require that the
  overall height of the proposed project increase in order to accommodate the same number of
  stories.
- Office space requires separate entrances, amenity space, vertical transportation and parking, all of which create a number of costly inefficiencies that make it unfeasible.

The petitioner is expected to further explain their rational for not increasing the amount of commercial office space in the proposed development at the September 13<sup>th</sup> public hearing.

## Why was the highest figure (.2) used to estimate costs for commercial space? How does the fiscal impact change if a different ratio is used?

The Fiscal Impact Analysis report prepared by the petitioner uses the most conservative figures that are reasonable, which means that every cost is maximized. Such methods are not uncommon and were similarly used for the Austin Street analysis. It is therefore reasonable to assume revenues will be higher than projected as the analysis presents a worse-case scenario. A lower ratio would result in higher revenue projections and would ultimately increase the net fiscal benefits beyond those projected in favor of the City.

Provide us with data showing the City's population, the number of residential units in the City and the amount of commercial space in the City. Please then add in estimates for increases due to recently approved but not yet built projects.

Since 2000, Newton's population has begun to grow again as an increasingly diverse population sees it as one of the premier places to live in the Boston Metro area given the quality of life in the community and the quality of its public schools. Nevertheless, the population increases have lagged behind both state and county growth and is below its 1960 peak of 92,284 residents. Between 2000 and 2010, the number of residents in Newton increased by 1.6%, whereas the state and county grew roughly twice as fast, at rates of 3.1% and 2.6%, respectively. In 2000 Newton's population was 83,829 and in 2010 the population was 85,146.

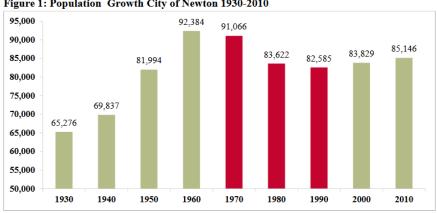


Figure 1: Population Growth City of Newton 1930-2010

Source: State Data Center, MISER and U.S. Census American FactFinder

Interestingly, the number of households declined in the same decade from 31,201, to 31,168. In place of the traditional family, Newton, like most of Massachusetts and the nation, is increasingly comprised of a diverse arrangement of household types. Since 1980, the number of single-person households has increased, as well as the number of households comprised of unrelated individuals – unmarried couples and households made up of roommates. In addition, the percentage of residents living in group quarters (college dormitories, skilled nursing facilities, and religious group quarters) has increased significantly. The school age population has rebounded to its peak in the 1980's and the number of seniors has been increasing, as has the racial and ethnic composition of the City.

In 2000 the City had 32,112 housing units which increased to 32,648 by 2010, an increase of 1.7%, consistent with the number of new residents over the same decade. A significant number of these new units include the large comprehensive permits (40B projects) permitted in 2001 and 2004 and 2005 (both Avalon Bay's and Woodland Station).

At the same time the population of Newton has grown more affluent and the housing stock has become more and more expensive, threatening the economic diversity of the population. This is true for both rental and homeownership units. Nonetheless, nearly one out of eight Newton households (12.2%) live on less than \$25,000 per year. 1

<sup>&</sup>lt;sup>1</sup> Demographic information taken from "Demographic Trends and Housing in the City of Newton, MA". Northeastern University. May 2014.

Newton's population is expected to continue to grow slowly to approximately between 86,000 and 89,600 residents by 2030 (between 1-5%), still short of the 1960 population peak, with the senior population expecting to increase from 15% to 24%. This is due to the aging of the baby boom generation. Correspondingly, there is projected to be a decline in older "prime age" individuals (45-64) by nearly 7 percentage points to 22% of the 2030 population. The decline in this age bracket is expected to have a correlated decline in the number of children living in Newton of between 500-1,000 fewer children relative to 2010. Although the number of households may increase slightly to 33,000 by 2030, projections indicate that a trend toward smaller households will continue. In 2010, "older" Newton households (households headed by someone 65 or older) accounted for less than 27% of all households. By 2030, they are expected to account for approximately 40%, fundamentally altering the demographic profile of Newton. This shift will include a significant increase in the number of one-person households, many of whom are likely to be widows or widowers. If these projections hold true Newton will have nearly 9% more single person households by 2030.

70% 60.6% 60% 50% 40% 30% 20% 10% 1.0% 0% -10% -5.2% -6.1% -20% -22.4% -30% 25-44 65+

Figure 4: City of Newton Projected Population Change by Age Cohort 2010–2030 Status Quo Projection

 $Source:\ Computed\ from\ MAPC\ Projection\ Data$ 

Over the next fifteen years the aging of the Newton population will likely affect the housing choices of current residents, many of whom might choose to stay in Newton, but not necessarily in their current homes, increasing the demand for smaller housing units. The Bluestone Demographic Projections Report not surprisingly projects that if additional smaller housing units are not developed, it is possible that older Newton residents will seek more appropriate housing in other communities.<sup>2</sup>

Regarding trends in commercial space, CoStar, a resource the City subscribes to which provides current inventory data, estimates that Newton has approximately 10.2 million square feet of commercial space. Approximately half of this space, or 5.3 million square feet, is classified as office space and approximately 3 million square feet is retail and shopping center space. The remainder is a mix of industrial and flex space. As most commercial development over 20,000 square feet requires a special permit, a cursory review of special permits in the past decade includes few new commercial projects and even less office development.

Route 9 has seen new and renovated commercial space including some office space at both The Street and Chestnut Hill Square, but the former Atrium has struggled to attract tenants in its

<sup>&</sup>lt;sup>2</sup> Demographic Projections for the City of Newton, MA. Northeastern University. May 2014.

conversion from retail to office space. Recently owners of the Atrium have announced signing Lifetime Fitness as a tenant and are positioning the property as a hub for health and wellness uses.

Redevelopment on Washington Street has included the new bank across the street from Whole Foods at 624 Washington Street, a new retail building at 1081 Washington Street (currently occupied by Sleepy's), and the Tennant Insurance building at 1149 Washington Street. A new 32,000 office building was constructed at 130 Rumford Avenue in 2006.

Wells Avenue has seen some re-tenanting of space with the upgraded medical office use at 159 Wells Avenue and the recently approved additions at 2 and 180 Wells Avenue. However, vacancies remain in this office park. 2 Wells Avenue is currently under construction but 180 Wells Avenue is waiting to begin construction until they can identify a tenant for the expanded building. Although there is some redevelopment on Needham Street, this corridor has actually lost office space in favor of mixed-use retail space with the move of Trip Advisor to the Needham Crossing Office Park. The City is making a concerted effort to continue to attract office and high-tech tenants to the Needham Street and Wells Avenue area with its N2 Innovation District initiative whose aim is to grow the economic potential of this area, provide good-paying jobs and increase tax revenues. One of the challenges to the initiative is the lack of affordable work-force housing in the area.

It should be noted that most of the commercial growth has occurred in the regional business areas of Needham Street, Wells Avenue and Chestnut Hill which have good access to major highways, and that the next tier of commercial area classification, village centers, have seen little new commercial growth, although these areas could support some moderate amount of growth if market conditions supported it. Washington Street has seen modest development but most of this appears to have been built with end users in mind and has not included speculative office space.

Recently approved but not yet built projects include up to 100 residential units at Chestnut Hill Square on Boylston Street. The Station at Riverside includes up to 225,000 square feet of office space, up to 290 apartments and up to 20,000 square feet of retail space. 28 Austin Street includes up to 68 residential units and 5,000 square feet of commercial space. A total of 131 residential units are currently under construction on Court Street, Curve Street and Kesseler Woods. A recent special permit at the Turtle Lane Theatre approved 16 condominium units. These projects together total just over 600 residential units, up to 225,000 square feet of office space and 25,000 square feet of new retail space.

#### What are some types/examples of stores that would need spaces of similar size to those proposed?

While it is too early to know who the commercial tenants will be, the petitioner has stated that the project's location and residential component will make Washington Place attractive to a variety of retailers and service establishments, including local small businesses as well as national retailers. Various food establishments ranging from a small coffee shop/bakery to finer dining are also highly likely candidates for the commercial spaces. The following table lists examples of the types of tenants often interested in the size of commercial spaces proposed.

C1 13,000SF	C2 & C6 1,250SF	C3 & C5 5,000 SF	C4 3,890 SF	C7 2,415 SF	C8 7,835 SF
Walgreens	Starbucks	Sephora	Panera	Brewer's Coalition	Legal C Bar
Pottery Barn	Pinkberry	Aquitaine	Douzo	Cabot	
Anthropologie	Polka Dog Bakery	The Cottage	White House\Black Market	Soul Cycle	

#### **Design and Comprehensive Plan Questions**

The petitioner has stated that the project design is inspired by the historic buildings of Newtonville Square which were comparable in height to the buildings proposed. The architect's vision is to design three buildings that have some common characteristics of massing and scale that help to create a sense of place yet would differ in the use of materials, texture and color, so that they appear to fit together but do not necessarily match. Design revisions are expected to be presented at the October 6<sup>th</sup> meeting and will include some changes to the building façade on Walnut Street.

## How does the proposal fit with the Comprehensive Plan's goals for increased commercial space, especially in Newtonville?

The vision that the City's Comprehensive Plan presents is one of moderate, controlled and responsible growth, yet also calls for enhancing village centers and supporting their vitality by providing services to nearby neighborhoods, housing alternatives, and focal areas to create a sense of place. With the exception of the Boston Ballet and Newtonville Camera, the current uses on site do not contribute to Newtonville as a destination or generate much pedestrian activity. With the exception of the building at the corner of Washington and Walnut Streets, the design of the block doesn't contribute to the sense of place or add to the connection with the rest of Newtonville. It is anticipated that the proposed commercial space will provide improvements and additional vitality and connection to the village center, will help to renew a sense of place north of the village center, and will add needed housing alternatives in the form of smaller single floor residential units without impacting parking in Newtonville.

Section 2, Excellence in Place-Making (page 2-2) calls for documenting a clear vision and connecting public investment and regulation to that vision. The City Council acted consistently with these principles when it adopted the Mixed Use 4 Village Zoning District to encourage economically sustainable and active, pedestrian-oriented villages in order to maintain Newton's unique village oriented culture. More specifically, in 2015 the Planning Department put together a Vision for Newtonville for the Mayor which has been shared with the Council in relation to the discussion of the Austin Street development parcel.

The Executive Department has continued to think and act from a comprehensive perspective following the release of the two demographic reports prepared for the City by the Dukakis Center at Northeastern University and the release of the Housing Needs Analysis and Strategic

Recommendations which highlights the critical need to promote affordable and diverse housing options in Newton.

Other sections of the Comprehensive Plan further encourage locating new development where it makes the most sense, which tends to be village centers, and particularly village centers with access to multiple modes of transit. The Land Use Section of the Comprehensive Plan (page 3-6) notes that land use is to be guided with the intention of enhancing village centers and supporting their vitality, and (page 3-19) predicts mixed-use developments will be key to maintaining the City's housing goals as well as maintaining strong and vibrant village centers.

Economic and employment trends in Newton have led to more office, retail and service jobs in the City and fewer industrial and manufacturing positions. This has meant that older structures are slowly being renovated or reconstructed to allow for newer uses. One example of where this is evident is Needham Street which is being transformed into a mixed use area including industrial, retail, housing and office uses. According to (page 3-23) the Comprehensive Plan almost half of the City's existing commercial floor area is concentrated in the regional business areas of Needham Street, Chestnut Hill and Wells Avenue. The next tier of commercial area classification would be considered the major village centers of Newton Corner, Newtonville, Newton Center and West Newton. Current trends seem to indicate that housing demand is presently stronger than economic and job growth in Newton as evidenced by strong demand for housing and increasing home prices. The current financing market also appears to indicate the same as real estate developers are proposing more new residential development than commercial development in these major centers. Over the past decade there has been minimal commercial development in these major village centers.

The Business Vision and Goals portion of the Comprehensive Plan (page 3-28) notes that Newton does not seek to become a bedroom community and seeks a jobs/housing balance and to maintain a significant commercial real estate tax and employment base and encourage business growth that furthers other goals in the Comprehensive Plan, provides essential services, and contributes to the vibrancy of the community.

The proposed project replaces the existing 58,000 square feet of aging commercial space with approximately 40,000 square feet of new commercial uses. Although there is a net loss in commercial square feet, it is expected that the new space will be assessed at more than four times the existing space and the new space will be more efficient and actively used. Furthermore, new residents will contribute to and support both the new and existing commercial space in Newtonville.

## Provide some examples of other recent mixed use development with similar residential/commercial ratios.

Project	Location	# of Units	Residential GSF	Commercial SF	Commercial % of Total SF
Washington Place	Newton	171	198,330	39,745	17%
Chestnut Hill Square	Newton	Up to 100	~110,000	230,000	32%

Riverside	Newton	Up to 290	335,000	20,000 retail 225,000 office	42%
28 Austin St	Newton	68	76,163	5,000	6%
Merc on Main	Waltham	269	295,900	28,000	9%
Cronin's Landing	Waltham	225	247,500	29,000	10%
Brookside Square	W. Concord	74	60,000	11,000	15%
30 Haven Street	Reading	53	50,000	20,000	29%

# Provide support for the statement in the Planning Department Memo that six stories is generally considered mid-rise development and appropriate in village centers.

In the field of urban design, the idea of human scale refers to a scale of development that feels "comfortable" to the average person experiencing the place and relates to basic human mobility and perception. As in any field, there are varying opinions but much of the literature agrees on a set of design principles tied to the two principles described above. The first is the sense of comfort in a place, which is related to one's sense of enclosure, often likened to the idea of being in a large outdoor room. There is less comfort in environments that either lack definition, presenting themselves as a wide-open and therefore a vulnerable environment (think about how it feels to walk through a very large parking lot), or in highly enclosed environments with very high, crowded buildings. The general rule of thumb is that a sense of appropriate enclosure is achieved where there is a ratio of building height to street width of approximately 1:1. Washington Street is over 80 feet wide and Walnut Street is just over 60 feet wide, making a five or six story building generally appropriate at this location.

The idea of human scale also refers to general human mobility and perception. As these concepts apply to building height, the upper limit of human scale is the same as a walk-up apartment building, which is five to six stories or the maximum number of stories that the average person can reasonably climb. From a perception stand point, the height is tied to the distance a person can see and still recognize another person, which is approximately a distance of 60 feet.

# Please expand on how this project will be linked with other proposed improvements to the Newtonville village. In particular how will this project be connected to improvements on the other side of the turnpike?

Proposed improvements for the Washington Place project include a complete redesign of the intersection of Walnut and Washington Street and aesthetic improvements to the bridge over the turnpike ending at the junction of Walnut Street and Newtonville Avenue. The improvements on the other side of the turnpike extend through the Walnut Street and Newtonville Avenue intersection, where Washington Place leaves off. The City's Department of Public Works with the help of the Planning Department's Urban Designer will be coordinating the design of both projects to ensure

consistency in plans and to create a seamless streetscape along Walnut Street on both sides of the turnpike.

## Expand on the uses of the proposed public space and compare it to what was approved for the Austin Street project.

The Austin Street project includes approximately 5,000 SF of public space including Bram Way. There is an additional 2,600 square foot garden area tucked behind the building.

Washington Place will have approximately 10,000 SF of public outdoor space between the linear pedestrian plaza leading from Washington Street and the larger interior plaza. This area is envisioned to include outdoor seating where people can come to eat, read socialize and shop, much like the public space at Austin Street with the exception that there will be no vehicular traffic on any portion of the public space. The petitioner has stated that they anticipate working with local artists to provide ongoing art displays for users to enjoy while visiting the space. The petitioner also intends to partner with local community organizations to provide ongoing programming for the area such as concerts and local artisanal markets.

The plaza includes a balance of pavers, benches, ornamental trees, and low plantings. Approximately half of the plaza area includes plantings. The plaza will receive daily sunshine during the growing season. Additional renderings of the outdoor public space will be shown at the October 6<sup>th</sup> meeting.

# If this project is approved, what will the impact be on the other buildings on Washington Street and Walnut Street? What is the opinion of the Planning Department regarding where MU4 is appropriate on Washington Street?

The intent of the MU4 district is to allow for the development of buildings and uses appropriate to Newton's commercial village centers and aligned with the vision of the City's Comprehensive Plan as adopted by the City Council. It is realistic to anticipate and even encourage development to occur in village centers and along the more regional corridors of Newton, of which Washington Street would be considered in Newton Corner, Newtonville and West Newton. The approval of this project would likely signal that Newton is supportive of controlled and responsible development where it makes the most sense, and that redeveloping less efficient parcels with affordable and diverse housing, as well as updated commercial space will contribute to Newton's economic stability in the years to come.

One-story buildings are often inefficient and a waste of expensive land and should generally be discouraged in village centers where there are multiple transit options and amenities. Where overriding historic or scale considerations are not present, density incentives such as the MU4 designation might be appropriate in order to encourage development of multi-story buildings. However, each village center is different and should be looked at on a case by case basis.

#### Should there be any waivers of the transparency and doors requirement?

The MU4 zoning district includes requirements that there shall be at least one entrance every 50 feet of building frontage facing a public way, and that a minimum of 60% of the street facing building façade between two and eight feet in height above the street-level floor must consist of clear windows that allow views of indoor space or display areas. The intent of these requirements are to promote a lively pedestrian environment.

Although the petitioner has stated that they intend and hope to meet these requirements, they are requesting waivers from these provisions in the event that some tenant in the future may require flexibility for less visual transparency or fewer entrances/exits. The Planning Department continues to recommend the denial of these requested waivers in order to maintain an active and engaging environment for pedestrians.

## How was the amount of community space arrived at and was there consideration given to better access off the plaza?

In order to provide 2,000 square feet of community space the petitioner has removed two residential units from the second floor and will include a dedicated entrance and elevator exclusive to this space to facilitate access from the interior plaza. Although the petitioner has indicated that he would be willing to move the use to the first floor, they note that the space would be smaller as it would decrease the rentable commercial space for the project. The Planning Department has no concerns with the community space being located on the second floor provided sufficient access is made available.

The petitioner has stated that they arrived at the 2,000 square foot number by assuming an average use or attendance per event of 50 people, or 40 square feet per person, and that conversations with community groups interested in using the space also confirmed that 2,000 square feet is adequate for their needs.

#### **Transportation Questions**

## Please provide more detail regarding the proposed traffic signal improvements at Washington and Walnut Streets.

As part of the proposed project the petitioner will reconstruct the intersection at Washington and Walnut Streets. More detailed plans will be presented on October 6<sup>th</sup> but proposed improvements include:

- The installation of a new modern traffic signal capable of multiple timing and phasing plans to adjust operations throughout the day as conditions change. The current signal maintains the same operational programming regardless of traffic conditions;
- Resurfacing of the intersection including pavers or colored concrete;
- Pedestrian bump outs on corners to shorten crossings for pedestrians;
- ADA compliant cross-walks; and
- Bike lanes along Walnut Street connecting across the turnpike.

#### How will traffic change at the intersection?

As outlined in the May 2016 Traffic Impact and Access Study, traffic associated with the redevelopment of the project is expected to increase during the weekday morning peak hour by approximately 89 new trips over the course of the hour. During the weekday evening peak hour, traffic will remain similar to existing conditions as the Boston Ballet currently generates a significant number of trips which would not exist in the future. With the change in traffic from the site and the traffic signal improvements outlined above, the overall peak period operations are expected to improve over existing conditions. The City's peer transportation review concurs with this analysis.

#### What improvements are proposed to make public transit more accessible in the area?

The Planning Department reached out to DOT to discuss this issue. Unfortunately most improvements to the commuter rail station are limited in what can be done short of a complete accessibility upgrade by the MBTA of the entire station (elevator and new platform) per Federal regulations.

The petitioner is proposing improvements to the sidewalk access to the station, including improved pedestrian crossings at the intersection of Walnut and Washington Streets, installing ADA ramps at the intersection, as well as sidewalk repairs.

#### Is the petitioner willing to subsidize MBTA/commuter rail passes for residents?

The petitioner has stated that they are willing to provide a T-pass subsidy for future tenants through a rent discount once a tenant verifies the purchase of a T-pass.

## How do the parking waivers requested for Washington Place compare to the waivers granted for Chestnut Hill Square? Proportionally similar?

Washington Place is located in a village center and would be considered a more walkable location than Chestnut Hill Square, which also has more limited transportation options. Chestnut Hill Square includes approximately 230,000 square feet or commercial space and 700 parking spaces for a ratio of 3.02 spaces per 1,000 square feet. Washington Place includes 40,000 square feet of commercial space and is providing 132 parking spaces for a ratio of 3.34 spaces per 1,000 square feet. Proportionally, a greater waiver was provided for the commercial space at Chestnut Hill Square than Washington Place is seeking. It should also be noted that the large grocer at Chestnut Hill Square generates a higher parking demand than the smaller tenant users expected to occupy this site.

## Recognizing that we have a complete streets policy what traffic mitigation is recommended by the City for the north side of the Walnut Street intersection?

The City is working with the petitioner on traffic mitigation at the intersection of Washington and Walnut Streets including the installation of a new modern traffic signal which in and of itself will significantly improve vehicle queues. Other priorities for the City include bike lanes on both sides of the street connecting over the turnpike and improvements to the pedestrian experience at this intersection. The City will work with the petitioner to ensure consistency in design with Walnut Street south of the intersection and for some improvements to the bridge over the turnpike.

The City is also interested in advancing the redesign of the Washington Street corridor and would also hope to see mitigation funds applied to this endeavor.

## Should the City request help to mitigate traffic effects from the nearby intersections of Lowell Ave, Cabot Street and Walnut/Watertown intersections?

The City's peer transportation review did not indicate that mitigation was required at these intersections.

## The DOT is reducing stops in Newtonville – What can the City do to make sure DOT knows that we have two projects?

The City is taking multiple steps, both independently and with our legislative delegation, to ensure continued commuter rail service. The DOT is aware of existing and proposed developments in Newtonville.

#### What happens if site parking is maxed out and overflow parking is needed?

The petitioner has indicated that in the event that site parking is maxed out a valet program would be implemented to manage excess parking demand within the site. Valets typically implement stacked parking to store more cars in existing space. Other special permits in Newton utilize this step on an as needed basis, such as the Marriott. The Planning Department also notes that developers are very aware that patrons will not continue to visit sites where parking is insufficient. Additionally, the petitioner is willing to de-couple parking fees from the rent for residential renters, and it is expected that potential residents with multiple cars would likely choose to live in a different location because of this disincentive.

## Is the petitioner willing to provide a housing experience for the car-free (i.e., no parking spaces or only Zipcar)?

The development's proximity to transportation allows the petitioner to provide parking for residents at a reduced amount (1.25 stalls per unit). The petitioner is willing to agree to decouple parking from rent in order to encourage living a car-free or car-lite life and Zipcar has tentatively agreed to provide two dedicated Zipcar spaces on-site. However, the petitioner believes that the demographic of residents who will chose to live at the site would like the option to own and park a car there, and the petitioner is not willing to not provide any parking stalls for the residential units at this time. The petitioner is willing to subsidize MBTA passes as mentioned above.

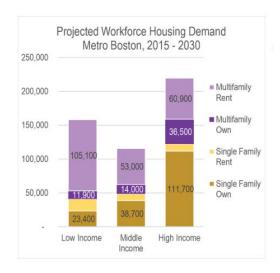
#### **Housing Questions**

#### Will the petitioner increase the number of deed-restricted units in the project?

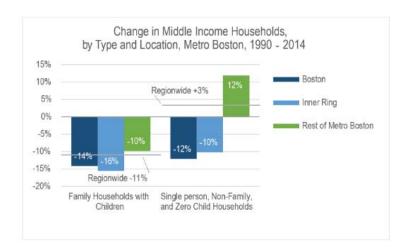
The petitioner is required to meet the City's Inclusionary Zoning Ordinance and 15% of the total units (26 units) will be available through a lottery process to households earning up to 80% of the Area Median Income (AMI) and all inclusionary units in the development must average no more than 65% of the AMI (50% of the units will be priced for households having incomes at 50% of the AMI and all other remaining inclusionary units will be priced for households having incomes at 80% of the AMI). It is expected that these 26 units will be eligible for inclusion on the City's subsidized housing inventory.

In addition, the petitioner is proposing a second tier of affordable units, an additional 10% of the total units (17 units), that would be available to residents earning between 80-120% of AMI, for "middle income renters." This is an income band that is not currently served by existing programs in Newton, and also represents a significant number of households that are being priced out of the Newton housing market.

The Urban Land Institute recently released a study about the importance of this income segment to the greater Boston area workforce who have limited choices in the regional housing market. The executive summary of the study is available here: http://boston.uli.org/wp-



content/uploads/sites/12/2016/05/ULI BuildingfortheMiddle-1.pdf. The report highlights that more than a third of middle income households are housing cost-burdened and that this number is increasing. Data shows that the region has been losing middle income households and that a growing economy will require more new workers than there will be housing therefore good housing policy is critical to help sustain the economy.



The Planning Department is very supportive of the petitioner's commitment to provide 43 units of deed restricted lower and middle income units in this project. These 43 units represent 25% of the total project units.

The petitioner is also willing to commit to providing a local preference for households that currently live at the site if their income qualifies them for any of the deed restricted units in accordance with the City's Inclusionary Zoning Ordinance and state regulations.

The floor plans included in the June 7<sup>th</sup> Preliminary Inclusionary Housing Plan highlight the suggested locations of the affordable units as well as the unit mix. The Planning Department is reviewing this

plan and recommends that should the Council choose to approve this project, a condition be included that a final Inclusionary Housing Plan be approved by the Director of Planning and Development prior to the issuance of any building permits.

#### Will the petitioner add some 3 bedroom units to the mix?

The petitioner is willing to add 6 to 8 3-bedroom units (~5%) to the proposed bedroom mix if the City Council desires. The Planning Department recommends that 5% of the units be 3-bedroom units in an effort to not exclude families from this development. Some larger units are often desirable for families that are in transition or who need temporary accommodations while they are renovating a home.

#### **Other Questions**

### Provide a description of how the project meets the site plan criteria in terms of natural energy.

The petitioner has stated that the project has been designed and will be constructed to meet the LEED for Homes Midrise at the Silver certification level.

#### Will all utilities be located underground?

The petitioner has stated that all utilities will be located underground.

#### How long is construction expected to take?

Construction is expected to take approximately 22-24 months from groundbreaking until occupancy.

#### How many units will be built accessible in the initial construction?

Five percent of the dwelling units will be built as accessible units. All units will be adaptable.

#### Please address concerns about school placement in terms of school capacity not just dollars

The number of school children in a project is not a land use issue that the Council can legally consider in its review of special permits. Nevertheless, the Fiscal Impact Study anticipates 24 new school aged children will reside at the project, including 16 elementary school students. The School Department is currently projecting a decline in enrollment at Cabot School of 15 students in the 2018/2019 school year so it appears that there will be adequate capacity to accommodate the elementary aged children generated by the project. The number of middle school and high school aged children is too small to impact the capacity at those respective schools. The Planning Department confirmed the projected number of school children with the School Department and they concurred that they would project 24 school age students may live at the site based on comparable multi-family projects in Newton.

#### What are the environmental conditions of the site?

As part of the petitioners due diligence in purchasing the property an environmental assessment of the site was completed. Although the majority of soil samples did not reveal any contamination, some Reportable Concentrations of lead and other compounds were encountered and reported to the Massachusetts Department of Environmental Protection in May 2016 (Attachment A). It should be noted that this is not unusual for an urban site. The proposed redevelopment will facilitate the cleanup of the site in accordance with state regulations and a Soil Management Plan will be prepared to document soil cleanup. This will include dust monitoring provisions during earthwork activities. Should the Council choose to approve this project the Planning Department recommends a condition that a final environmental report documenting the removal of contaminants be submitted to the Planning Department prior to the issuance of any occupancy permits.

#### **ATTACHMENTS:**

Attachment A: Letter from Sanborn Head



### **MEMORANDUM**

**To:** Mr. Robert Korff ~ Mark Investment, LLC.

**Copy:** Mr. David Roache, P.E., Ms. Leslie Kivitz, Esq.

From: Matthew P. Heil, P.E., LSP and Robert D. House, P.E.

**File:** 3927.00

**Date:** September 7, 2016

**Re:** Licensed Site Professional (LSP) Opinion Regarding Environmental Conditions

Land Use Council Hearing – 9/13/16

**Proposed Washington Place Redevelopment** 

Newtonville, Massachusetts

As requested by Mark Investment, LLC (Client), Sanborn, Head & Associates, Inc. (Sanborn Head) has prepared this memorandum outlining the current environmental conditions for the proposed re-development at Washington Place in Newtonville, Massachusetts. We understand that this memorandum has been requested prior to the September 13, 2016 meeting of the City of Newton Land Use Council.

Soil impacts in excess of Reportable Concentrations (RCs) were encountered. These Reportable Concentrations were encountered during real estate due diligence activities and were reported to the Massachusetts Department of Environmental Protection (DEP) in May 2016 in accordance with applicable laws. Although a small number of samples exceeded Reportable Concentrations for lead (220 mg/kg vs. 200 mg/kg), total petroleum hydrocarbons (TPH at 1,020 mg/kg vs. 1,000 mg/kg) and some common polycyclic aromatic hydrocarbons (PAHs) which are included within the TPH value, the majority of samples did not exceed Reportable Concentrations. In addition, the limited exceedances remain relatively low and generally consistent with DEP published soil background values in Massachusetts. Only one PAH compound will need to be cleaned up to meet residential closure standards.

This type of condition is very typical for historical urban soils based on Sanborn Head's extensive experience with similar projects in Massachusetts. For general reference, there have been 46,200 other reported Massachusetts Contingency Plan (MCP) sites in Massachusetts, of which 500 are also located in Newton.

Site cleanup will be in accordance with the applicable law (Chapter 21E) and supporting regulations, the MCP. As part of the redevelopment, Sanborn Head will prepare a Soil Management Plan (SMP) and other regulatory filings to document soil management and cleanup. This will include dust monitoring provisions during

earthwork activities. Based on the proposed construction schedule, clean-up actions will be completed well ahead of the required regulatory cleanup timeframe. Clean-up actions will be overseen by Mr. Matthew P. Heil a registered Professional Engineer and LSP with over 21 years of professional experience in the environmental investigation, risk assessment, remediation and groundwater engineering fields. Mr. Heil has worked on hundreds of redevelopment projects within the greater Boston area throughout his career.

■ The proposed redevelopment will facilitate the cleanup. Excess soil generated from both the garage construction and the installation of utilities will require off-site removal to an approved disposal or recycling facility. In addition, the site redevelopment includes the removal of the existing Sunoco service/filling station at 875 Washington Street. We anticipate that the redevelopment will allow for the removal of the existing Activity and Use Limitation (AUL) deed restriction on that portion of the site.

Overall, it is our opinion that this site does not represent a significant environmental challenge for redevelopment. In fact, it is even "cleaner" than we would have expected based on our extensive experience supporting the redevelopment of urban properties in Massachusetts.

We trust this memorandum meets the needs of the project at this time. Please call us if you have any questions regarding this memorandum.

MPH/RDH: rdh

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