



CITY OF NEWTON, MASSACHUSETTS

Economic Development Commission

Meeting Minutes

DATE: February 9, 2021

TIME: 6:30 pm via Zoom

1. Attendance

Commissioners Attending:

Phil Plottel (Chair); Jean Wood (Vice Chair); Debora Jackson (Secretary); Lisa Adams; Eryn-Ashlei Bailey; Rob Finkel; Jeremy Freid; Jack Leader; Marcela Merino; Beth Nicklas; Joyce Plotkin; Sarah Rahman; Matt Segneri; and Chuck Tanowitz.

Staff Attending: Barney Heath, Director of Planning and Development and Devra Bailin, Economic Development Director.

Also Attending: Robert Korff, Damien Chaviano, Stephanie Moresco, Scott Lombardi from Mark Development; Hunter Kass from Alexandria (ARE.com); and Allan Cohen from the City's Commercial Assessor's Office

2. Approval of Minutes of January 12, 2021

Upon motion and second, the Minutes were unanimously.

3. Presentation by Mark Development on Riverside Project Changes

Mr. Chaviano made a PowerPoint presentation of the proposed changes to the Riverside project. Although the total square footage of the project has not changed, Mark Development proposes to remove the hotel from the project and replace it with a second lab/life science building. The office building is also proposed to be converted for use as lab/life science. Although open space will be reduced, it will still exceed the requirements of the Ordinance. They also propose to reduce the number of units from 582 to approximately 500. The amount of proposed retail space has been reduced from 39,015 sq. ft. to 22,440 sq. ft., mainly due to the lack of interest by Trader Joe's. A different smaller grab and go is proposed. The new building 2 height will be increased from 70' to 124' to accommodate the higher ceilings required for lab space. The net fiscal impact to the City of the changes made is about \$845,000. The lab buildings were proposed to be LEED silver; Alexandria, the premiere lab/life science developer, is partnering with Mark Development and has required the buildings be at least LEED gold. Although traffic will increase, the peak traffic

Ruthanne Fuller
Mayor

Barney S. Heath
Director
Planning & Development
Devra G. Bailin
Director
Economic Development

Commissioners
Phil Plottel, Chair
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Lisa Adams
Eryn-Ashlei Bailey
Robert Finkel
Jeremy Freid
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both a.m. and p.m. will be less than with the hotel and office uses previously proposed.

Hunter Kass, Executive Vice President of Alexandria, explained that his company has over 8.5 million sq.ft. in the Boston area, including in Fort Point and Cambridge. They are excited about the ability to expand their footprint into Riverside. This will be an important addition to their project at Riverside Center next door. Mr. Kass pointed out the need for the building design to be open for collaboration and, therefore, the design is vital to their success as life science/lab space. Mr. Chaviano explained that the use of the space proposed for the ground floors of these buildings will fit into what they were trying to achieve with the activation of the hotel ground floor.

Mr. Chaviano shared the vision of the trail network within and around the project. He noted that Mark Development will be creating the design for the abandoned rail bridge to allow safe pedestrian and bicycle access and the DRC is hopeful it can obtain funding for the construction of this important component.

Ms. Nicklas expressed her support of Mark Development's move in the direction of life science/lab. She asked whether Alexandria had secured tenants, whether the target was large or small companies, whether they were considering small STEM lab space to educate students (like Vertex/Biogen) and whether they gave any consideration to childcare on site. Mr. Kass explained that they had no tenants right now but would consider any mix. Mr. Chaviano explained that daycare is on their radar.

Ms. Jackson asked how this time is different (if it is) in that, after the EDC reviewed the project and made its comments, the right size group significantly modified it. Mr. Korff stated that Mark Development met with the public and Ward 4 City Councilors and was surprised at the pushback received for removing the hotel and replacing it with life science/lab because of changes in the economy. Ms. Jackson also asked if there was any way not to lose affordable units. Mr. Chaviano said they will try not to reduce it but they are significantly reducing the total number of units and pointed out that on other projects in Newton they have provided 25% affordable.

Ms. Plotkin thought the revised project looked great and the added revenue to the City is important. She was supportive of efforts to complete the RR bridge connection of the trails. Ms. Merino asked about the significant increase in parking being proposed and wondered if it was excessive. Mr. Chaviano pointed out that at least with COVID people will be using their cars and mass transit less. Mr. Tanowitz commented that he would like to see greater reliance on the trail system and less parking. He also wondered, if the market shifts and lab space became less in demand, they will be able to convert the building to office. Mr. Chaviano explained that the air systems of designed lab space will be desirable for office should that shift take place. Mr. Kass explained that Alexandria is convinced Riverside will be a vibrant location for life science and that is why they are committed to this partnership on Riverside.

Mr. Leader asked and was assured that the objections with Woodland Golf have been resolved. He asked about the connection via walkway over Route 128/95 that would connect Lower Falls with the rest of the City. Mr. Korff explained that they had agreed to pay for the design but are leaving construction to others.

Ms. Nicklas said that the EDC would be willing to provide public support and asked that Mark Development keep the Commissioners informed of important dates. Mr. Korff explained that the EDC can support the changes by talking with people and promoting the benefits of the project. This should be part of a Newton open for business campaign to expand the commercial tax base for everyone's benefit.

Mr. Plottel noted that this has been a long process for the EDC. He asked whether other positive fiscal impacts were included in the \$845,000 number—personal property taxes on labs? He also asked whether parking would still be available for baseball fans and for other event goers. Mr. Chaviano assured him the shared parking module took that into account and stated they would review fiscal benefits to make sure everything is included.

4. City Updates

R&D Zoning: Ms. Bailin explained that the item docketed with ZAP was unanimously approved by both ZAP and the Planning Board with one small change—that Laboratory, R & D be allowed by special permit in MU4 rather than as of right. As explained at the meeting, this doesn't represent a real change at all, as uses in MU4 invariably require special permits anyway.

Small Business Recovery Grants 2: Ms. Bailin explained that the City received over 70 applications for the second round of small business recovery grants, which will be funded again at \$300,000 from additional CDBG funds. Because we are working with a software company Neighborly, staff time was significantly reduced. The software allowed us to score most of the questions asked and Mr. Leader and Ms. Wood have agreed to review the scoring and provide insight into two questions which are more subjective. We will be targeting small storefront businesses throughout the City.

Ms. Bailey asked how many minority applicants applied and whether we identified any new entrepreneurs with new businesses rather than serial entrepreneurs. Ms. Bailin explained that we did inquire into minority status, as well as women-owned, veteran-owned, etc. We used the HUD classifications and those businesses which self-identified were given points for their status. [After the meeting, Ms. Bailin inquired into the number of applicants who self-identified in any of the categories and was advised that 56 of the 76 Newton businesses that applied for the grant checked the yes button with regard to diversity ownership.]

Ms. Merino asked whether businesses which received grants last time were eligible for the new round. Ms. Bailin explained that they were but under the scoring lost points for the duplication. However, as Ms. Wood and Mr. Leader will see, some still rose to the top two tiers of potential recipients. Ms. Marcela asked about whether all franchises were disqualified, as many operate as

independent businesses. Ms. Bailin explained that they were and this same issue arose on the State grants which had the same exclusion. It was difficult to draw the line between those which were independently operated and those which are part of larger ownership or effectively controlled by the franchisor.

Ms. Wood asked that she and Mr. Leader be given information regarding minority status.

5. Discussion Items:

a. EDC Officer Nominations and Election

Mr. Plottel nominated Ms. Rahman for Secretary and the nomination was seconded. No other nominations for Secretary were made.

Mr. Plottel nominated Ms. Wood for Vice Chair and the nomination was seconded. No other nominations for Vice Chair were made.

Ms. Wood nominated Mr. Plottel for Chair and the nomination was seconded. Mr. Plottel asked whether there were any other nominations for Chair and none were made.

The slate of nominated Officers was unanimously approved.

b. 2021 Goals

Mr. Plottel explained that he and Ms. Wood met with the Mayor and the revised document for consideration of 2021 Goals includes the Mayor's comments. Ms. Plotkin asked whether the title to Goal A should include women. The change was made. Mr. Leader noted that the State has set asides for women and minority owned businesses and asked why we were not including this in Goal A. Mr. Plottel noted that Boston has struggled with this as was noted in a recent Globe article. Ms. Bailin explained that the Mayor thought we should start with an understanding of procurement requirements and the law before we set a goal to have the City increase diversity purchases. Ms. Jackson noted that Newton doesn't have a diversity advocate, which is where many organizations start to outreach to minority-owned businesses. Mr. Plottel noted that we don't have data to even create a baseline to determine whether efforts are successful. EDC will be part of the discussion and bring our recommendations to those who can implement. Ms. Marcela asked if we intended to include veterans. Mr. Plottel thought that was an issue for the subgroup.

As to Goal C, Ms. Plotkin thought that the EDC should support the attraction of R & D companies, rather than attract them directly. The change was agreed to.

As to Goal D, Mr. Tanowitz asked that we add as part of the support of Newton's storefront businesses a goal to support a walkable bikeable infrastructure. The change was agreed to. Mr. Finkel asked if we should consider reinstating the business excellence awards. There was discussion of the favorable publicity and goodwill the awards engendered. Ms. Plotkin noted that it was considerable work and that Ms. Hyde did most of the work herself. Mr. Tanowitz suggested that the EDC partner with the Chamber on such awards.

As to Goal E, Ms. Bailey noted that the subgroup concluded that it could not create a foundation. Mr. Plottel agreed and, although the Mayor would support such a foundation, she doesn't have the bandwidth right now to focus on it. She suggested that members of the EDC who remain interested in this, partner with several community groups who have expressed interest in and join those groups who are working on it. Ms. Wood noted that progress could be made with other groups.

As to Goal F, Mr. Plottel noted that the Mayor appreciates the monthly updates and very supportive of the work the EDC is doing. He explained that number 4 was added as a request of the Mayor.

Mr. Tanowitz moved to approve the Proposed 2021 Priorities as edited and Ms. Adams seconded the motion, which was unanimously carried.

c. 2020 Annual Report

The draft 2020 Annual Report was reviewed page by page and corrections/edits made, together with the addition of 2021 goals inserted. The draft was also edited to add to the EDC's tribute to Peter Lew and to thank Mr. Feller and Mr. Barnstone for their service to the EDC. Ms. Merino commented that she thought a comment should be made to the effect that the EDC is now majority women and that it has minority representation—most diverse EDC. A discussion ensued on the issue of diverse representation and inclusion. Language was drafted to reflect the consensus of thought on the issue.

Upon Motion by Mr. Leader and seconded by Mr. Finkel, the Annual Report was approved unanimously, reserving to the Chair the ability to make formatting, font, and other minor changes to it.

The Commissioners then volunteered to serve on subgroups according to their interests.

Goal A: Support women and minority owned businesses

Ms. Adams (Chair)

Ms. Bailey

Ms. Merino

Ms. Plotkin

[After the meeting Mr. Segneri joined.]

Goal B: Advocate for expanding the City’s commercial tax base in the zoning redesign and land use process

Ms. Nicklas (Chair)
Mr. Plottel
Ms. Wood

Goal C: Support the attraction of R & D Companies to Newton

Mr. Plottel (Chair)
Ms. Nicklas
Ms. Jackson
[After the meeting, Mr. Freid joined]

Goal D: Support Newton’s storefront businesses

Ms. Merino (Cochair)
Ms. Tanowitz (Cochair)
Ms. Rahman
Mr. Leader
Ms. Wood
[After the meeting Mr. Finkel joined]

Goal E: Continue to incubate the idea to create a community foundation serving Newton

Ms. Rahman will finalize the report of the subgroup.

Ms. Wood will contact members who couldn’t stay to the end of the meeting to find out which subgroup they wish to serve on.

Ms. Nicklas asked that Ms. Bailin obtain a copy of the Riverside presentation and she will start a draft for review by subgroups B and C. Ms. Rahman noted that she attended the Ward 4 neighborhood meeting and affordable housing was a major issue. She asked whether Mark Development will be required to comply with the new 25% requirement; Mr. Leader thought so. She also noted that the comments from the neighborhood were very negative. Members expressed hope that the City Councilors would act in the best interests of the City and not let neighborhood opposition defeat development. The members were comfortable with reviewing and discussing a draft of the Riverside letter at the next meeting.

6. Other Business

No other business was discussed.

7. Date of next regularly scheduled meeting—March 9, 2021

The date of the next regularly scheduled meeting for the EDC will be **March 9, 2021.**

8. Adjournment

Upon the meeting was unanimously adjourned at 9:12 p.m.

Respectfully Submitted,
Devra G. Bailin, Economic Development Director