



CITY OF NEWTON, MASSACHUSETTS

Economic Development Commission

Meeting Minutes

DATE: September 13, 2021

TIME: 6:30 pm via Zoom

1. Attendance

Ruthanne Fuller
Mayor

Commissioners Attending: Phil Plottel (Chair); Jean Wood (Vice Chair); Sarah Rahman (Secretary); Lisa Adams; Eryn-Ashlei Bailey; Rob Finkel; Jack Leader; Marcela Merino; Joyce Plotkin; and Matt Segneri.

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

Commissioners Not Attending: Jeremy Freid; Debora Jackson; and Chuck Tanowitz.

Staff Attending: Barney Heath, Director of Planning and Development; Zachery LaMel, Chief of Long-Range Planning; Hattie Kerwin Derrick, Director of Community Engagement and Inclusion; William Ferguson, Co-Director of Sustainability; and Devra Bailin, Economic Development Director.

Commissioners
Phil Plottel, Chair
Jean Wood, Vice Chair
Sarah Rahman, Secretary

Also Attending: Peter Barrer; Dr. Errol Norwitz; Christopher Philbin; Howard Levine; John Messervy; Frank Stearns; Jason D'Antona; Ron Blau; Greg Reibman; Josephine McNeil; and Jim Griglun.

2. Approval of Minutes of July 27, 2021

Lisa Adams
Eryn-Ashlei Bailey
Robert Finkel
Jeremy Freid
Debora Jackson
Jack Leader
Marcela Merino
Joyce Plotkin
Matt Segneri
Chuck Tanowitz

After the motion to approve was made by Mr. Leader and seconded by Ms. Bailey, the Minutes were unanimously approved.

3. City Updates (including Introduction of Hattie Kerwin Derrick)

T 617/796-1120
F 617/796-1142

Mr. Heath advised that the Riverside project was approved by the City Council. He was asked what the vote was, and he later confirmed via chat that the vote was 23 to 0. He also explained that the ZBA had approved the Dunstan East project. The biggest thing to report is that the village center zoning will be going before ZAP in the next four months. He then introduced Mr. LeMel for the update on the village center zoning public outreach. Mr. LeMel thanked the EDC and particularly the Commissioners who participated in the various forums as participants, facilitators and note-takers. The staff will be prioritizing the feedback and formalizing recommendations. He asked if anyone had any questions on the memorandum sent in advance of the meeting. He also noted that at 8:15 the village center consultant will be before ZAP to report. Mr. LeMel was asked by Ms. Merino if he would share the report out of the session with the EDC and he confirmed that he would.

Twitter: @newtonecondev

Ms. Kerwin Derrick was introduced to the meeting by Mr. Heath.

4. Discussion Items:

a. Reports from Subgroups

1. Support Women and Minority-owned Businesses Subgroup

Ms. Adams asked Ms. Bailin to distribute to Commissioners ahead of the meeting, a preliminary report (which was done). The report suggested that the EDC make interim recommendations to the Mayor pending a final report, taking a vote accordingly. The first recommendation was for the City to include a question on the request for a vendor number regarding whether the bidding company is owned by a vendor who is a woman or a member of an underrepresented group. This would allow the City to collect data. Mr. Plottel advised that the EDC may not legally be allowed to vote tonight on this. On this topic, Mr. Heath noted that there have been ongoing discussion with Mr. Read, the City's procurement officer, about documenting this information. He is working with Ms. Kerwin Derrick, Mr. Read and Ms. Bailin to make recommendations to the Mayor to request and track information relating to underrepresented groups. He noted that we want to be sure to include all categories (not all of which are presently included in our documentation) and set out a process to implement. Ms. Bailin noted that this information would have to be collected not only for large bid amounts, but also for smaller departmental purchases.

The second recommendation from the Subgroup is that City establish a procedure for notifying underrepresented vendors when a contract is open for bidding. Mr. Heath advised that we think this may be easy to implement if we utilize the State's Supplier Diversity Office database as a starting point. Ms. Bailin added that Boston is willing to share its list as well. Ms. Plotkin asked if we will be reaching out to other organizations for their lists—e.g. BECMA. Mr. Heath noted that we are in conversation with them. Ms. Bailin added that we do have the beginnings of a data base of underrepresented vendors in Newton from the State grant list which prioritized underrepresented groups in its grant program. Ms. Merino managed the buyer diversity program at the Boston Chamber and noted that the lists can be out of date and not helpful if you don't match vendors with contracts being offered. It is necessary to do actual outreach to those groups. Ms. Bailey asked Ms. Adams to confirm that the group will continue to work on recommendations, which she did. Ms. Adams noted that, since the recommendations are closely aligned with what the City is independently working towards, she suggests the EDC wait until the next meeting for a report on progress and decide on voting until our next meeting. She suggested further that the Subgroup work collaboratively with the City. Mr. Heath noted that the Mayor feels a

sense of urgency on these issues; we will implement what we can and continue to work on them.

2. Report from Zoning Redesign Subgroup

Mr. Plottel noted that there is nothing presently to report.

3. Report from R & D Attraction Subgroup

Mr. Plottel commented that, with the approval of the Riverside project, the Subgroup will focus on making sure that Newton gets a MassBio platinum certification.

4. Report from Support Newton's Storefront Businesses Subgroup

Ms. Merino reported that most of the subgroup members have been working with the Planning Department to create focus groups for outreach on the Village Center Redesign project. As Mr. LeMel has already provided a report, she has nothing further to add.

b. Electrification Home Rule Petition and Ordinance

Mr. Plottel explained that the EDC is an advisory group. He noted that, if there was time at the end of presentations and discussion, he will take comments from the public. He prepared a presentation by way of introduction. By way of background, Mr. Plottel explained that the push for electrification began with Brookline's bylaw which was disapproved by the Attorney General as preempted under state law. Since then municipalities have been drafted proposals for Home Rule to accomplish electrification. On July 14th the Newton Public Facilities Committee voted out a Home Rule Petition, which the Mayor said she would support if and as approved by the City Council. The officers of the EDC expressed surprise and concern. Concerns were also expressed by Newton Wellesley Hospital and the Charles River Regional Chamber. Councilor Leary withdrew the petition and sent it back to Committee.

Mr. Plottel shared a copy of the Home Rule Petition, as well as the proposed ordinance. He also shared a comparison of Newton's Home Rule Petition and draft ordinance with those of other communities contemplating similar action. He noted the difference between waivers and exemptions.

Mr. Plottel invited Peter Barrer, who serves as a volunteer working with Co-Director of Sustainability, Ann Berwick, on the Home Rule petition and draft ordinance, to speak. Ms. Bailin noted also that Mr. Ferguson, Newton's Co-Director of Sustainability, was also attending. Mr. Barrer explained that climate change is happening rapidly, and we need to reconfigure and reduce the burning of fossil fuel. We also need to understand the full cost of using fossil fuels. We need to create rules and regulations to reduce the impacts of fossil fuels and reduce our

carbon footprint. Although the State is leading efforts, Newton must do its part by moving to electrification. He acknowledged that we may have to modify the current language for biol labs and hospitals, given their need for significant air exchange. He pointed out the Riverside project, which is proposing two buildings for life science, has agreed to an electrification requirement. He understands the EDC's commitment to increased lab space and the nature of competition for same from other communities, but we cannot afford a race to the bottom in terms of fossil fuel consumption. He is interested in hearing from the Newton Wellesley Hospital ("NWH") and their plan to get to zero carbon. He suggested heat pumps could be installed on the golf course for the NWH to comply with the electrification process.

Dr. Norwitz, President and CEO, of the NWH stated that the proposed Home Rule Petition and Ordinance will close the hospital down. The NWH and its parent, Mass General Brigham ("MGB"), have acted responsibly and have been effectively phasing in programs at a cost of over \$30 million to reduce their energy consumption by 29% and carbon emissions by 46%; the hospitals are significantly ahead of the interim targets for 0% Green House Gas ("GHG") emissions by 2050. As a full-service hospital, NWH is required by federal law to have at least two fuel sources to assure continued service for its patients. The ordinance would compel violation and shut the hospital down. He noted that two-thirds of the State's energy comes from natural gas and 76% of electricity is provided by natural gas. It isn't logical to require electrification by users under these circumstances. We need new energy sources for electricity and this will take time. He also pointed out that the current electrical grid servicing the NWH is not reliable, as there are frequent disruptions. Eversource does not have the current capacity to service the NWH (even if a secondary fuel source for backup and emergency systems were not mandated by federal law, which it is). Full electrification is not a viable option at this time and should be phased in in a responsible and realistic manner. The NWH should be listed as an exemption in the Home Rule petition, as Lexington did. The NWH is happy to work with the City to meet environmental goals but the Home Rule Petition and proposed ordinance must be corrected before it goes before the Legislature. He noted that waiver is not a viable alternative.

Mr. Plottel asked if the members had any questions. Ms. Adams asked about the NWH's phased approach and how long it is anticipated for the NWH to get to all electric. Dr. Norwitz said that he doesn't know when the NWH will be able to get off fossil fuel altogether. The need for dual systems is a barrier but so is the lack of current technology to accomplish it, as the Governor of California has acknowledged. Mr. Levine added that we can't do it now but that's what the current petition/ordinance demands. This is a nonstarter. He also noted that he is working with Councilor Crossley to set up a committee to resolve these issues. Mr. Ferguson confirmed that this is the next step. Dr. Norwitz added that we need to work together to vet the language. John Messervy, AIA and Corporate Director of Design and Construction for

MGB, noted that MGB has already committed in Boston to GHG reductions in accordance with agreed upon targets, but has not agreed to specific fuel sources to get there. The MGB system of hospitals is on a path to get to net zero but the reality is that natural gas will be in use until realistic alternatives become available.

Ms. Bailey noted that the NWH is vital for vulnerable communities in Newton. She expressed concern that the cost of any mandates will trickle down to patients. How can we reach necessary environmental goals—tax incentives to invest in infrastructure? Carbon credits? Dr. Norwitz responded that we need to upgrade our electrical service and bring in other clean energy sources. The fact remains electricity is not a reliable source today and that we need a phased process to reach our goals. Mr. D’Antona, the Chief of Engineering for MGB, pointed out that the hospital group has initiated 65 energy conservation programs and noted that the best way to reduce emissions is not to have them to begin with. The MGB continues to look to new technologies as they become available and often utilize them in their non-patient facilities. They cannot deploy them in acute care facilities like the NWH until they are proven reliable. Mr. Messervy added that we are stuck with natural gas for our renovations of NWH; alternatives are not presently realistic alternatives. For example, hydrogen, which is clean, is simply not available.

Ms. Rahman stated that this has been a very helpful discussion. She wondered what the renovation trigger is; without an exemption, will the NWH be at risk of noncompliance? Dr. Norwitz said “yes” the NWH will be at risk of noncompliance and added that each building (all 15) is stand-alone, so that any renovation, including those planned, will trigger noncompliance. (He added also that the NWH is in a residential zone, so they trigger review with almost any change.) Mr. Levine noted that two years ago the NWH initiated a conversation with the City Planning Staff about modernizing the NWH and doing so by creating a hospital zone. The proposed petition/ordinance will prevent/prohibit modernization.

Mr. Leader asked about the distinction between electricity and fossil fuel, when isn’t electricity currently generated primarily by fossil fuels? Dr. Norwitz commented that this is a very insightful observation. If natural gas is burned remotely and creates electricity, that is permissible under the petition/ordinance. 76% of electricity is currently generated by natural gas. Mr. D’Antona noted that those facilities are only 30% efficient; burn on site is between 70-80% efficient. This is very problematic if you turn to full electrification now.

Mr. Plottel asked for discussion by Commissioners. Ms. Bailey suggested that we ask that the ordinance and petition be revisited and the City adopt exemptions. The NWH should adopt goals and targets towards zero carbon. Mr. Plottel asked when Public Facilities is reopening the hearing; what is the time frame? Mr. Barrer responded that the working group will be meeting and working on it before it goes

back to the Committee. He thought it would be brought back in October. Mr. Levine noted that he has not yet heard back from Councilor Crossley and he doesn't see it getting back to the Committee before the end of the year.

Ms. Rahman wanted to explain that the slide on possible impacts was based on the Officer's review of the Newton proposal compared to other municipalities. This was just brainstorming and she wanted to make sure other Commissioners weigh in. Ms. Bailey asked if the City would be liable if the NWH cannot comply. This would be an issue for the Law Department. Mr. Plottel has suggested that Mark Development and the NWH meet to talk about getting additional electrical capacity to the NWH. Mark Development has committed to improving the grid to service Riverside and perhaps it can be extended to the NWH. He noted that the grid is antiquated.

Mr. Finkel asked what the cost of doing this is for residential project? For commercial ones? What is the cost of construction? What is the cost of operation? Given the fact that electricity is more expensive than gas, what is the burden being placed on new construction and significant renovations? Mr. Barrer pointed out that Ms. Berwick did a report on residential construction. The construction cost is slightly higher; with new construction the use of heat pump vs gas is about the same. Mr. Ferguson noted that electricity costs about five times the cost of natural gas but you would need to take into account the efficiencies of using electricity as the source. The extra cost would be made up by the efficiency. The Massachusetts plan pivots the market to provide incentives to incent customers to move to electrification (heat pump) and through carbon tax. Mr. Finkel asked that that data be made available to the EDC.

With respect to next steps, Mr. Plottel thought it made sense to put together EDC thoughts and comments for finalization at our next meeting. Ms. Wood thought that that was a good idea; she was not prepared to propose a draft tonight. She thought a small group should put a draft together to discuss next time. Mr. Plottel said that would fall to the R & D group, together with Ms. Wood. Members should let Ms. Bailin know if they wish to help. Mr. Segneri commented that given the burden, there is a need to work out the details of any proposal going to Legislature before it is submitted by the City. Exemptions should be built in and details included. Ms. Plotkin agreed; exemptions should be upfront in the request to the Legislature, when we know that technology is currently insufficient. The City should ask the NWH to provide updates as they reduce their carbon footprint. Mr. Plottel asked if we should be using Lexington as the model. Ms. Bailey agreed the NWH and the City should agree on benchmarks. There appeared to be consensus that exemptions should be in the Home Rule Petition. Mr. Segneri suggested that the basis of the exemptions should be spelled out. In the NWH's case it is the mandated two sources of energy source. Ms. Bailey added that if something is not presently feasible, how can you

require it? There must be spelled out feasible pathways for the NWH. Mr. Plottel noted that we can discuss this further at our next meeting, as we're coming to 8:30.

c. EDC Meetings

1. Discussion of moving EDC meetings to minimize conflicts with Land Use and ZAP Committee meetings and changing start time.

Due to the shortage of time, this matter will be discussed at our next meeting.

5. Other Business

No other business was discussed.

6. Date of next regularly scheduled meeting—October 12, 2021

The date of the next regularly scheduled meeting for the EDC is October 12, 2021.

7. Adjournment

Upon Motion by Ms. Adams and seconded by Ms. Rahman, the meeting was unanimously adjourned at approximately 8:35 p.m.

Respectfully Submitted,
Devra G. Bailin, Economic Development Director

