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Date: January 25, 2023

To: Mayor Ruthanne Fuller

From: Barney Heath, Director
Lara Kritzer, Community Preservation Program Manager

RE: Dudley Road Estate Responses to Request for Expressions of Interest

The following memo includes a summary of the review process conducted for the responses received in December 2022 to the City's Request for Expressions of Interest for the Dudley Road Estate parcels. The City received nine responses to the EOI and held interviews with the top three candidates. A summary of each of those reviews is also included in the attached.

**City of Newton Dudley Road Estate Expressions of Interest
Proposal Review Summary**

Initial Reviews and Discussion

On December 1, 2022, the City received nine (9) proposals in response to its Request for Expressions of Interest (EOI) for development partners to consider the potential acquisition and future development of all or part of the three lots which make up the Dudley Road Estate. The Dudley Road Estate Review Team then completed an initial review of these responses and submitted ratings based on the EOI criteria. The eight Review Team members reviewed and submitted overall proposal ratings, initial funding recommendations, rationales for their recommendations, and follow-up questions. The three (3) proposals which received the highest overall scores – NOW Communities/Civico Development, Pennrose LLC, and The Abbey Group – were then invited to meet individually with the Review Team. These interviews were held between December 16 and December 22, 2022. The table below summarizes the initial proposal review ratings for the top three development teams.

	NOW Communities/ Civico Development	Pennrose, LLC	The Abbey Group
Number of reviewers	8	8	8
Initial Score range	32-53	28-56	23-49
Overall Score	324.5	306.5	272.5

Overall, the Review Team felt that all three of these proposals could result in successful developments. The development teams approached the site with vastly different development styles, types and numbers of units to be constructed, and locations and potential uses for the open space and municipal use areas. While the Review Team felt that all three proposals had elements which would be advantageous for the City, there was agreement that the proposal submitted by NOW Communities/ Civico Development was the one which would best suit the site and surrounding neighborhood and would provide the most benefits to the City.

The NOW/Civico proposal received the highest overall proposal review score of the nine proposals submitted. They propose to construct a 75-125 unit development of one-and-a-half to two-and-a-half story, attached single and multi-family homes laid out in a neighborhood style development designed to work with the existing topography of the site. The new housing will be surrounded by preserved open space that includes publicly accessible walking paths. In addition, the project is proposed to include a dedicated area for future municipal development adjacent to the City’s existing properties surrounding the Newton South High School.

The other two applicants, Pennrose LLC and The Abbey Group, were also discussed in detail by the Review Team. The following is a brief overview of the applicants’ objectives and a summary of the Review Team’s Assessment.

NOW Communities/Civico Development

Summary (excerpt from proposal):

NOW Communities/Civico Development is proposing a context sensitive cluster development of smaller scale, single and multi-family buildings built around the site's existing topographic features. The key feature of their approach is the human-scale of the proposed development and their environmentally sensitive design which is intended to minimize disturbance to the area and preserve as much of the surrounding open space as possible for permanently preserved conservation and recreation uses.

Key elements of the project include:

- 75-125 new homeowner units of mixed income housing
- Construction of smaller units to provide housing at a size and scale that is not otherwise available in Newton's new construction market
- Creation of deed restricted affordable housing to meet inclusionary zoning requirements
- Set aside 2-3 acres of land to be used for municipal use and/or open space
- Development will include a community building and/or activity area

Assessment (Review Team feedback):

Several of the Review Team members were familiar with NOW Communities other developments in Concord and Devens and were impressed by their ability to develop attractive neighborhoods which emphasize sustainability and community. The current proposal is similar in scale and general building design to those developments and the Review Team thought it would both sensitively blend into the existing site and complement the surrounding neighborhoods. This proposal was also the most thought out one submitted in that it had already considered how and where the new structures could be located and how the more challenging elements of the topography might be handled. The number of units proposed, 75-125 units, was on the lower end of proposed units included in the submitted proposals, which the Review Team thought might make the development more attractive. Lastly, the Review Team considered the smaller size of the proposed units themselves to be an attractive addition to Newton's housing stock and believed that they would provide housing that is not otherwise available in Newton's new construction.

Pennrose, LLC

Summary (excerpt from proposal):

Pennrose is a national housing developer which has a strong background in providing high quality affordable, workforce, and market rate housing throughout New England and Massachusetts. They have developed over 17,200 units over their fifty years in development and have the experience and funding capacity to move this project forward. In addition, Pennrose has extensive experience in developing affordable housing and are familiar with the State and Federal housing programs and their funding processes. While they did not provide the same level of developed design for the site that some of the other proposers included, they did express a willingness to work with the City on the design of the site and the individual structures. They also provided examples of several other Massachusetts

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municipalities where they were using their extensive experience in affordable housing to complete similar projects.

Key elements of the project include:

- Minimum of 60 new units of rental housing (can use a 60+ or a 120+ unit model)
- Anticipate that housing would be similar to their other attached townhouse style developments made up of 65% two or more bedroom units and 10% three bedroom units
- 80% of units would be deed restricted affordable housing and the remaining 20% could be market rate or workforce housing
- Approximately 3-4 acres to remain undeveloped for open space/municipal use
- Penrose usually owns and operates its developments but is open to long term lease or other type of ownership structure with the City

Assessment (Review Team feedback):

Penrose has a strong background in affordable housing and has submitted several examples of work that was done in cooperation with other municipalities. However, the Review Team noted that many of their other developments were on flat, open sites and that their proposal did not provide a clear sense as to how they would approach developing this specific site. It was also unclear as to whether any of their other projects had faced similar challenges to the Dudley Road Estate. In addition, the Review Team expressed concern that the project lacked the creative design elements seen in several of the other proposals. One of the elements that made this proposal stand out was its plan to construct rental units instead of homeownership units. While the Review Team saw merits to both types of housing, the Team ultimately agreed that they would prefer to see homeownership units on this site. Questions were also raised about the lack of information on the exact location and amount of land to be set aside for municipal and open space uses.

The Abbey Group

Summary (excerpt from proposal):

The Abbey Group is a family-owned, Boston-based firm that has developed, managed, and invested in over 100 properties throughout New England. They have over forty years of experience in development and are eager to work with the City to develop a plan for this site. Their initial proposal is for a 55+ active adult community to provide housing for residents who are interested in downsizing but who want to remain in the community. The founding members of The Abbey Group grew up in this area of Newton and are interested in a development which preserves as much of the existing open space as possible by building fewer, larger structures that are designed to work with the topography of the site.

Key elements of the project include:

- Minimum of 160 homebuyer units
- Units would be constructed in three large buildings that follow the contours of the site and estimated at 1,900 – 2,000 sf. in size

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- Would meet minimum requirements for affordable units or make a payment into the Inclusionary Zoning Fund
- Although no specific acreage was noted for open space, the buildings would be designed to minimize topographic changes to the site and preserve as much of the existing forest and open space as possible.
- Project would include construction of a new multi-level parking garage for shared use with Newton South High School which would allow the school to free up existing parking areas surrounding the buildings for future development

Assessment (Review Team feedback):

The Abbey Group has successfully completed other large development projects in Boston and the surrounding area and showed a sensitivity to the challenges of the site as well as an interest in using the design of the building to save as much of the surrounding landscape as possible. The Review Team expressed concerns with the size of the project (minimum of 160 units) and the large scale of the buildings in comparison to the surrounding neighborhoods. The Review Team was also less interested in the development of only senior housing for the site and urged the applicants to consider other options. While The Abbey Group is open to having that discussion, they made it clear that they would like to retain at least a portion of the project for 55+ housing. The Review Team's other concerns included the relatively large size of the proposed buildings, the fact that the applicants would prefer to pay into the Inclusionary Zoning fund rather than construct affordable units (they did agree during discussions to include the minimum number of affordable units if required), and the lack of designated municipal land outside of the proposed parking structure. Overall, the Review Team thought that The Abbey Group could successfully construct an interesting development which worked for the site but that their goals did not match as well the City's goals for the Dudley Road Estate.

Overall Summary

The following is an overall assessment based on the proposals, information presented during interviews, and feedback offered by the Review Team.

All three proposals were considered to be strong. Each team took a different approach to the site and the Review Team focused on the project which best meets the City's expressed goals and works with the unique characteristics of the site. The Review Team believes that NOW Communities/ Civico Development best meets these needs in that it provides:

- A neighborhood style development that will blend into the surrounding neighborhoods.
- Smaller scale structures that are similar in scale to the surrounding building stock
- A type of housing (smaller scale units) which are otherwise not being built in Newton at this time and will add to the diversity of the City's housing stock
- Additional affordable homebuyer units
- Open Space and pedestrian walking paths that will be accessible to the surrounding neighborhoods and public

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- A design that will preserve the unique topography of the site by working around its more prominent features
- Dedicated municipal space on a relatively flat portion of the site adjacent to the high school to meet the future needs of the City