



Zoning & Planning Committee Agenda

City of Newton In City Council

Monday, January 14, 2019

7:00PM – Room 211/Room 205

Items Scheduled for Discussion:

Clerk's Note: *The Zoning & Planning and Finance Committees will meet jointly to discuss items #29-19, #220-18 and #28-19 in Room 211.*

Referred to Zoning & Planning and Finance Committees

#29-19

Funds to cover the cost of a vision plan for the Riverside MBTA property

HER HONOR THE MAYOR requesting authorization for the acceptance and expenditure of funds provided by the Riverside MBTA property developer to cover the cost of independent consultant support for a vision plan for the Riverside MBTA property.

#220-18

Discussion relative to the Washington Street Corridor Action Plan

DIRECTOR OF PLANNING requesting monthly progress discussions on the Washington Street Corridor action plan.

Chair's Note: *The Planning Director will provide an update on the finances of the Action Plan.*

Referred to Zoning & Planning and Finance Committees

#28-19

Appropriation of \$600,000 for rehabilitation of Allen House

COMMUNITY PRESERVATION COMMITTEE recommending the appropriation of six hundred thousand dollars from the Community Preservation Fund to the Planning & Development Department for a grant to the Newton Cultural Alliance for the rehabilitation of the historic Allen House, 35 Webster Street, for use as a community arts and cultural center, to supplement the CPA funding previously appropriated for this project through Council orders #227-14(2) and #156-16.

The location of this meeting is accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA Coordinator, Jini Fairley, at least two business days in advance of the meeting: jfairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

Clerk's Note: *The Zoning & Planning Committee will take up the following items in Room 205 after the joint meeting with Finance Committee.*

- #630-18 Re-appointment of Anne Killilea to the Commission on Disability**
HER HONOR THE MAYOR re-appointing ANNE KILLILEA, 789 Watertown Street, West Newton, as a member of the COMMISSION ON DISABILITY for a term to expire December 31, 2021. (60 days 02/15/19)
- #220-18 Discussion relative to the Washington Street Corridor Action Plan**
DIRECTOR OF PLANNING requesting monthly progress discussions on the Washington Street Corridor action plan.
Chair's Note: *The Committee will be reviewing the Newtonville and Crafts Street portions of the Plan.*
- #408-18 Discussion and adoption of Economic Development Strategy Plan**
DIRECTOR OF PLANNING requesting discussion and adoption of the Economic Development Strategy Plan as an amendment to the 2007 Newton Comprehensive Plan.
- #518-18 Discussion and review relative to the draft Zoning Ordinance**
DIRECTOR OF PLANNING requesting review, discussion, and direction relative to the draft Zoning Ordinance.
Chair's Note: *The Committee will be reviewing the Village Districts section of the draft ordinance.*
- Referred to Zoning & Planning and Finance Committees**
- #576-18 Discussion of a visioning process for land surrounding Riverside MBTA station**
COUNCILORS KRINTZMAN, GENTILE, MARKIEWICZ, LAREDO AND AUCHINCLOSS requesting a discussion with the Director of Planning on conducting a vision process for the potential development of the land around the Riverside MBTA station.

Respectfully Submitted,

Susan S. Albright, Chair



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

#29-19
Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

MEMORANDUM

DATE: January 11, 2019

TO: Councilor Susan Albright, Chair, Zoning and Planning Committee
Councilor Leonard Gentile, Chair, Finance Committee

FROM: Barney Heath, Director, Department of Planning and Development
James Freas, Deputy Director of Planning
Lily Canan Reynolds, Community Engagement Manager

RE: **Docket Item #29-19, Acceptance of Funds for the development of a Riverside Vision Plan**

MEETING: January 14, 2019

CC: Planning and Development Board

We have attached the Request for Qualifications (RFQ) that was developed to generate consultant responses from five (5) consultant teams (see below).

We received responses from each of the five teams contacted including:

1. Civic Moxie
2. Consensus Building Institute
3. Goody Clancy
4. Metropolitan Area Planning Council
5. Union Studio

Each team will be interviewed by the Riverside Vision selection committee comprised of the following individuals:

1. Randall Block, Lower Falls Representative
2. Philip Wallas, Auburndale Representative
3. Ward 4 Councilor Josh Krantzman
4. Barney Heath, Director of Planning and Development
5. James Freas, Deputy Director of Planning and Development
6. Jonathan Yeo, Chief Operating Officer

Following the interview process, the selection committee will request a detailed scope of work and not to exceed fee from the consensus choice. The petitioner for the proposed development at Riverside, Mark Development, will then provide the City with a check to cover the full cost of these services.

The Planning Department will then prepare and oversee the contract with the consultant.

Riverside Visioning – Planning Consultant Services Scope of Work

City of Newton Planning and Development Department

Project Goal: To develop a vision plan for the future development of Riverside Station

Project Overview: The City of Newton seeks consultant services to develop a Vision Plan for Riverside Station. Development of a mixed-use project at the Riverside Station was approved years ago by the MBTA, who operates not only the Green Line terminus at the station but also a maintenance facility and bus terminal. The development team has expanded to include new members, and the project has grown to encompass the neighboring property at the Indigo Hotel.

With a Special Permit application anticipated this spring, the City of Newton seeks to reengage stakeholders in the neighborhood, city, and region in order to clarify its objectives for the site. The selected team will work closely with the City of Newton Planning Department to lead a community engagement process and produce a Vision Plan for Riverside report that illustrates the City’s principles and priorities for the future of the site. The final vision plan will support staff and the City Council during their review of the upcoming project.

Project Timeframe: 10 weeks from January – March 2019

Deliverable: A Vision Plan for Riverside outlining the City of Newton’s principles for development and priorities for community benefits for any future development of the Riverside terminal site

Key Skill Sets: Cross-sector experience of planning topics, land use development and project feasibility, community engagement and facilitation

Task List:

- Stakeholder analysis and interviews
- Site conditions analysis
- Community engagement process
- Vision Plan report preparation

Objectives for each task:

Task 1: Stakeholder Analysis and Interviews

City of Newton Planning and Development Department
1000 Commonwealth Ave, Newton MA 02459

Riverside is understood to be a site with neighborhood, citywide, and regional implications.

The task is to identify stakeholders (neighborhood, citywide, and regional), conduct interviews, collect data, and identify the range of perspectives and priorities for the Riverside site. During this process, the stakeholder analysis should identify the main interests on the issues, and the options that stakeholders see for addressing the issues.

Task 2: Site Conditions Analysis

The site is partially under private ownership and partially owned by the Massachusetts Department of Transportation. It currently operates as the terminal station of the Green Line “D” branch and as an intercity bus terminal. The site has limited access with boundaries that include the Charles River, the I-95/Rte-128 highway, and a rail line spur.

The task is to analyze the existing site conditions (assets and challenges) including the development constraints set by the Mass DOT rail operations and lease or sale requirements to understand the required features for any future project.

Also important will be analysis/understanding of the location as it relates to the larger community and the region, particularly in terms of the local and regional transportation network.

Task 3: Community Engagement Process

The City of Newton believes strongly in community dialogue about the future of the site and sees visioning as an opportunity to clarify the City’s objectives for any future development with direct feedback from residents and other stakeholders.

The task is to organize and lead a 3-phase community process with a combination of public meetings and online community engagement efforts to identify principles for development of the site and priorities for community benefits. The task includes preparation of all engagement materials and presentations.

The estimated phase structure is as follows (to be finalized in conjunction with the selected consultant):

- Engagement Part 1: Listening and Learning – reporting out on stakeholder analysis and site conditions, hearing from community members about their concerns and priorities for the site
- Engagement Part 2: Draft principles for development and community benefit ideas – pulling from the stakeholder and public engagement activities, present a draft set of development principles and community benefits for feedback and assistance with prioritization (online and in person engagement are anticipated)
- Engagement Part 3: Vision Plan presentation – Present the final report first in a public forum and then at a City Council meeting

Task 4: Vision Plan Report Preparation

The final Vision Plan report is expected to document the findings of the stakeholder analysis, site conditions analysis, and community dialogue about objectives for future development. As with other vision plans completed by the City, the Riverside Vision Plan will serve as a resource for the Planning Department, City Council, and the public when considering the details of any proposed future development or zoning amendment.

This task includes preparing a well written and graphically illustrated report.

Anticipated Topic Lists

Topics anticipated to be covered include, but are not limited to:

- Principles and priorities for transit-oriented development
 - Encompassing the active rail-maintenance facility in any future development
 - Site planning to promote transit use (bus, light-rail, intercity bus, potential commuter rail, etc.)
 - Housing diversity and affordability, including a variety of income levels, and new housing models (e.g. serviced micro-units and shared apartments, private dorms, artist live/work units, etc.)
- Principles and priorities for riverfront development
 - stormwater management
 - open space access and trail networks
- Principles and priorities for neighborhood- connected development
 - walkable connections
 - traffic management/mitigation
 - enhancing connected social fabric – public gathering spaces (indoor/outdoor), schools and services for children and older adults, neighborhood serving retail/services
- Principles and priorities for community design
 - Scale
 - Relationship to greater neighborhood character
 - Potential for significant architectural features

City of Newton Staff Support

The City of Newton Planning and Development Department will be very actively involved in the execution of this work. Due in large part to the previous special permit, the City has access to a wealth of data and information about the site. Planning department staff will provide the selected team with background research, available GIS data, and other materials as needed. Staff will work with the City Councilors representing Ward 4 to line up an initial list of stakeholders for interviews. Staff will also be

the convener of the community engagement events, managing meeting logistics and online engagement platforms, and advertising to key stakeholder groups and the public at large.

Submission Requirements & Selection Process

The City of Newton is soliciting quotes for the Riverside Visioning effort. In order to move quickly to community engagement and stakeholder interviews, this project is intended to complete contracting and begin work by mid-January 2019.

Respondents are requested to send the following by January 8th, 2019:

- A brief introduction to the firm (1-page maximum)
- Resume for project lead

Respondents will be asked to attend an interview with the selection committee in the afternoon of January 16th or 17th and discuss/present how they would approach the project.

The selection committee is comprised of:

- City of Newton Chief Administrative Officer
- City of Newton Director of Planning and Development
- City of Newton Deputy Director of Planning
- City Councilor from Ward 4
- Neighborhood Representative (Lower Falls)
- Neighborhood Representative (Auburndale)

The Selection Committee reserves the right to select more than one consultant in order to have the range of expertise deemed necessary. Following selection, the selected respondent(s) will work with City staff to finalize a detailed scope of services including a price proposal that will serve as the basis for contracting.



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

#220-18
Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

MEMORANDUM

DATE: January 11, 2019

TO: Councilor Susan Albright, Chair, Zoning and Planning Committee
Councilor Leonard Gentile, Chair, Finance Committee

FROM: Barney Heath, Director, Department of Planning and Development
James Freas, Deputy Director of Planning
Lily Canan Reynolds, Community Engagement Manager

RE: **Docket Item #220-18, Washington Street Vision Plan Contract Status**

MEETING: January 14, 2019

CC: Planning and Development Board

Please find enclosed the latest progress report on the contract with the Principle Group for the Washington Street Vision Plan and Zoning Code.

The next major milestone for the project will be the delivery and presentation of the 2nd draft of the vision plan at the February 11th Zoning and Planning Committee meeting.



Washington Street Vision Plan & Zoning Code - Progress Report 12/21/2018

Task	Description	Original Budget	Revised Budget	Total to Date	% Complete
Task 0.0	Project Management	\$ 31,855.00	\$ 35,855.00	\$ 32,978.50	91.98%
Task 1.0	Existing & Emerging Conditions Research	\$ 70,335.00	\$ 13,752.95	\$ 13,752.95	100.00%
Task 2.0	Community Connectors	\$ 2,920.00	\$ 3,176.80	\$ 3,176.80	100.00%
Task 3.0	Community Crowdsourcing	\$ 21,625.00	\$ 25,732.50	\$ 25,732.50	100.00%
Task 4.0	Multi-Day Planning Event (Charrette)	\$ 121,290.00	\$ 121,290.00	\$121,178.60	99.91%
Task 5.0	Plan Open House (Public Draft #1)	\$ 143,335.00	\$ 208,438.48	\$208,438.49	100.00%
Task 6.0	Forums	\$ 18,455.00	\$ 10,455.00	\$ 1,365.00	7.40%
Task 7.0	Revise Plan & Zoning Code (Public Draft #2)	\$ 38,190.00	\$ 29,304.27	\$ 22,091.25	57.85%
Task 8.0	Final Plan & Zoning Code (Public Draft #3)	\$ 20,255.00	\$ 20,255.00	\$ 0.00	0.00%
Team Cost		\$ 468,260.00	\$ 468,260.00	\$428,714.09	91.55%
Direct Cost		\$ 31,740.00	\$ 31,740.00	\$ 23,320.07	73.47%
TOTAL		\$ 500,000.00	\$ 500,000.00	\$452,034.16	90.41%

PRINCIPLE

791 TREMONT STREET
STUDIO W513
BOSTON, MA 02118

1.786.361.5285
STUDIO@PRINCIPLE.US
PRINCIPLE.US



Washington Street Vision Plan & Zoning Code - Progress Report 12/21/2018

Task	Description	Original Budget	Revised Budget	Total to Date	% Complete
Task 0.0	Project Management	\$ 31,855.00	\$ 35,855.00	\$ 32,978.50	91.98%
Task 1.0	Existing & Emerging Conditions Research	\$ 70,335.00	\$ 13,752.95	\$ 13,752.95	100.00%
Task 2.0	Community Connectors	\$ 2,920.00	\$ 3,176.80	\$ 3,176.80	100.00%
Task 3.0	Community Crowdsourcing	\$ 21,625.00	\$ 25,732.50	\$ 25,732.50	100.00%
Task 4.0	Multi-Day Planning Event (Charrette)	\$ 121,290.00	\$ 121,290.00	\$121,178.60	99.91%
Task 5.0	Plan Open House (Public Draft #1)	\$ 143,335.00	\$ 208,438.48	\$208,438.49	100.00%
Task 6.0	Forums	\$ 18,455.00	\$ 10,455.00	\$ 1,365.00	7.40%
Task 7.0	Revise Plan & Zoning Code (Public Draft #2)	\$ 38,190.00	\$ 29,304.27	\$ 22,091.25	57.85%
Task 8.0	Final Plan & Zoning Code (Public Draft #3)	\$ 20,255.00	\$ 20,255.00	\$ 0.00	0.00%
Team Cost		\$ 468,260.00	\$ 468,260.00	\$428,714.09	91.55%
Direct Cost		\$ 31,740.00	\$ 31,740.00	\$ 23,320.07	73.47%
TOTAL		\$ 500,000.00	\$ 500,000.00	\$452,034.16	90.41%

PRINCIPLE

791 TREMONT STREET
STUDIO W513
BOSTON, MA 02118

1.786.361.5285
STUDIO@PRINCIPLE.US
PRINCIPLE.US



Ruthanne Fuller
Mayor

City of Newton, Massachusetts

Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

#28-19

Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

Community Preservation Committee Funding Recommendation for Allen House Phase 3 Historic Rehabilitation - Supplemental Funding

date: 22 December 2018

from: Community Preservation Committee

to: The Honorable City Council

PROJECT GOALS & ELIGIBILITY

The Newton Cultural Alliance is requesting this supplemental funding in response to higher-than-anticipated costs and changes affecting some other funding sources for the rehabilitation of the historic Nathaniel Allen House (35 Webster Street, West Newton) for use as a community arts, performance, and education center.

This project's CPA eligibility was established for two previous CPA appropriations, totaling \$2.3 million (see www.newtonma.gov/gov/planning/cpa/projects/allen.asp). The Allen House is listed on the National Register of Historic Places and is a local Newton historic landmark. Its historically significant exterior and interior features are also protected by an updated, [permanent historic preservation restriction](#), recorded in April 2018.

RECOMMENDED FUNDING

On 11 December 2018 by a vote of 6-0 (members Beryl Gilfix, Richard Kronish and Robert Maloney absent), the Community Preservation Committee recommended appropriating \$600,000 from the Community Preservation Fund's fy19 budget reserve and fund balance for historic resources to the Planning & Development Department, for a grant to the Newton Cultural Alliance for the Allen House project, subject to the conditions outlined on the next page and based on the detailed budget attached to the proposal, as summarized here:

Uses of Funds	
Acquisition, closing costs	\$325,000
Phase I total	\$810,000
Phase II total	\$965,000
Phase III total (90% construction, 10% soft costs)	\$3,900,000
Overall Expenses (all phases), including:	\$1,500,000
Contingency (\$300,000)	
Finance expenses, interest (\$350,000)	
Developer fee, management, staff (\$850,000)	
Total Uses of Funds	\$7,500,000

Sources of Funds	
CPA - grants of 2014, 2016	\$2,300,000
Village Bank Debt (\$750k + \$300k)	\$1,050,000
Massachusetts Cultural Council (\$270k + \$300k)	\$570,000
NCA (donations before 2017)	\$550,000
Capital Campaign (new funds incl. \$200k in pledges rec'd)	\$920,000
Massachusetts Historic Tax Credits (net)	\$990,000
Federal Historic Tax Credits (net)	\$520,000
CPA - 2018 supplemental request	\$600,000
Total Sources of Funds	\$7,500,000

website www.newtonma.gov/cpa

contact Alice E. Ingerson, Community Preservation Program Manager

email aingerson@newtonma.gov phone 617.796.1144

SPECIAL ISSUES CONSIDERED BY THE CPC

The CPC has received only positive community comments about this project. All CPC concerns focused on project finances.

In the project's 10-year operating budget, the CPC considered some cost projections optimistic. In the event of any eventual annual operating surplus, the committee also urged the Newton Cultural Alliance to increase its projected annual contributions to a replacement reserve. However, the CPC also agreed that this budget's revenue projections seemed appropriately conservative for a building that will be used primarily by nonprofit arts and educational organizations, and that the proposed geothermal system, though expensive to install, would help to minimize operating costs.

The development phase of the Allen House project is facing the same higher-than-anticipated construction costs as other current projects in greater Boston. For various reasons the project's federal historic tax credits will also contribute less toward project costs than originally anticipated. To address these issues, the Newton Cultural Alliance (NCA) has worked with its architect and contractor to find savings while ensuring that the project still meets the federal historic rehabilitation standards required by its funding sources, including CPA. NCA has also negotiated additional bank financing within the constraints of its intentionally conservative operating revenue projections and has set an ambitious new target for its capital campaign.

Additional possible cost reduction options would create additional challenges: The developer fee is important for accessing federal tax credits, and any deferred portion of that fee would have to be paid from cash flow, which is a risk. Some construction could be deferred while additional funding is sought, including installation of the elevator and the geothermal system. However, the CPC also understood NCA's conviction that visible progress on construction – especially for the new black box theater – is critical to the success of the capital campaign.

To maximize the non-CPA funding leveraged without increasing these risks, the CPC recommends earmarking this supplemental CPA funding for the installation of the geothermal system, once most other construction has been completed using a combination of previously appropriated CPA funds and non-CPA funds.

Finally, the CPC understands that accessing the federal historic tax credits requires NCA to form a for-profit partnership to hold the property for a period of time through a ground lease from NCA as the property's long-term nonprofit owner; and that the new partnership will be required to honor both the historic preservation restriction and key conditions in the [existing grant agreement governing the project's previously committed CPA funding](#), particularly about the site's uses.

ADDITIONAL RECOMMENDATIONS *(funding conditions)*

1. The CPC assumes all recommended funds will be appropriated within 3 months, and the project will be completed within 24 months, after the date of this recommendation. If either of these deadlines cannot be met, the Newton Cultural Alliance should submit to the CPC a written request to extend that deadline.
2. This supplemental CPA funding should be released through a grant agreement that is consistent with the existing agreement governing the CPA funds committed through [City Council order #126-16](#), and that limits the use of these supplemental CPA funds to the acquisition and installation of the geothermal system, once most other construction for the project's Phase 3 has been completed.
3. Any CPA funds appropriated but not used for the purposes stated herein will be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will evaluate this project based on how well it meets goals 1 and 2 above; on the Newton Cultural Alliance's long-term physical stewardship of Allen House; and on the provision of the other community benefits envisioned in the Alliance's 2014-2018 funding proposals to the CPC.

ATTACHMENTS

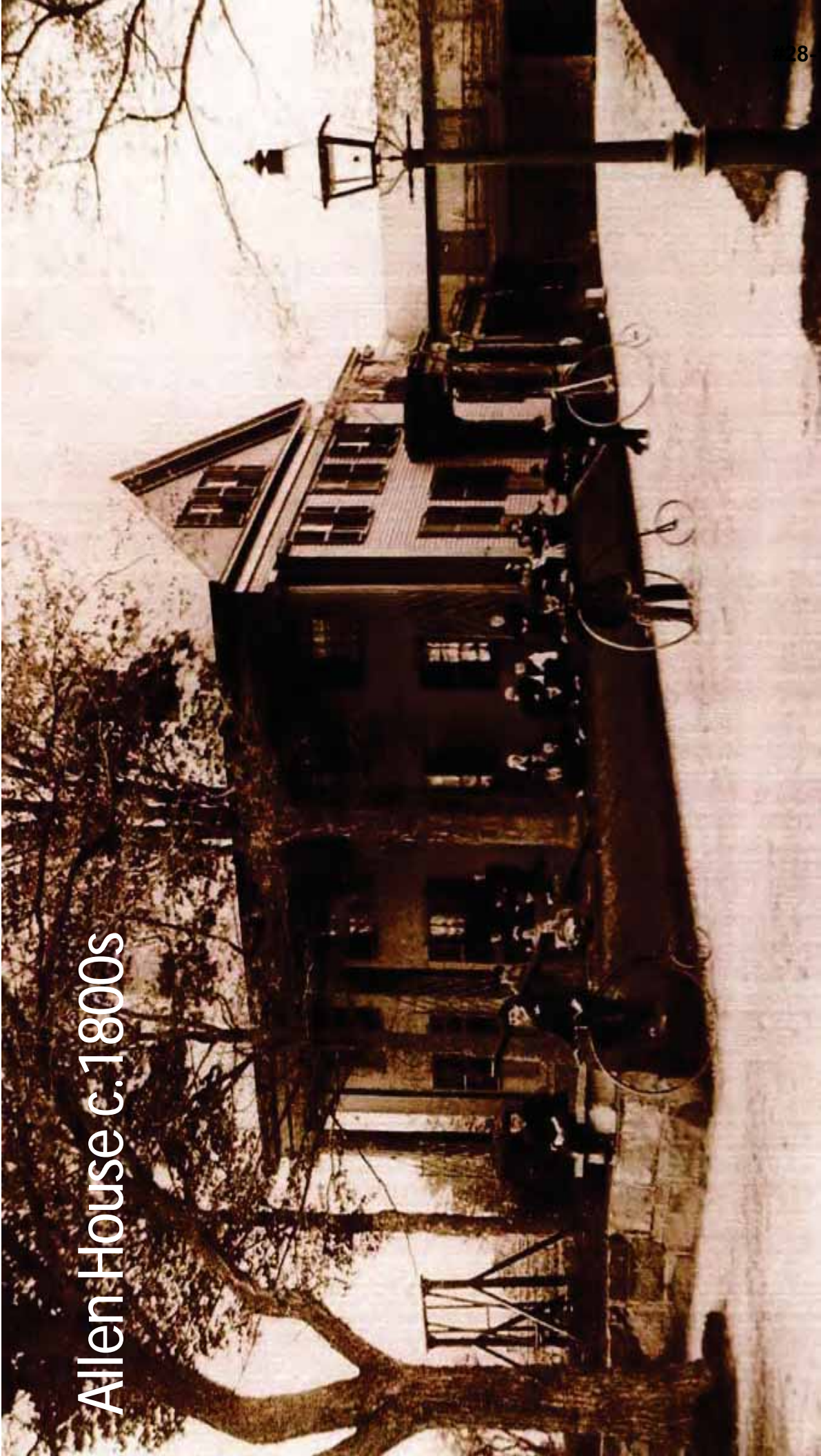
(delivered to the clerks of the Zoning & Planning Committee and Finance Committee)

- Proposal submitted to the CPC, also available from www.newtonma.gov/gov/planning/cpa/projects/allen.asp#Phase-3

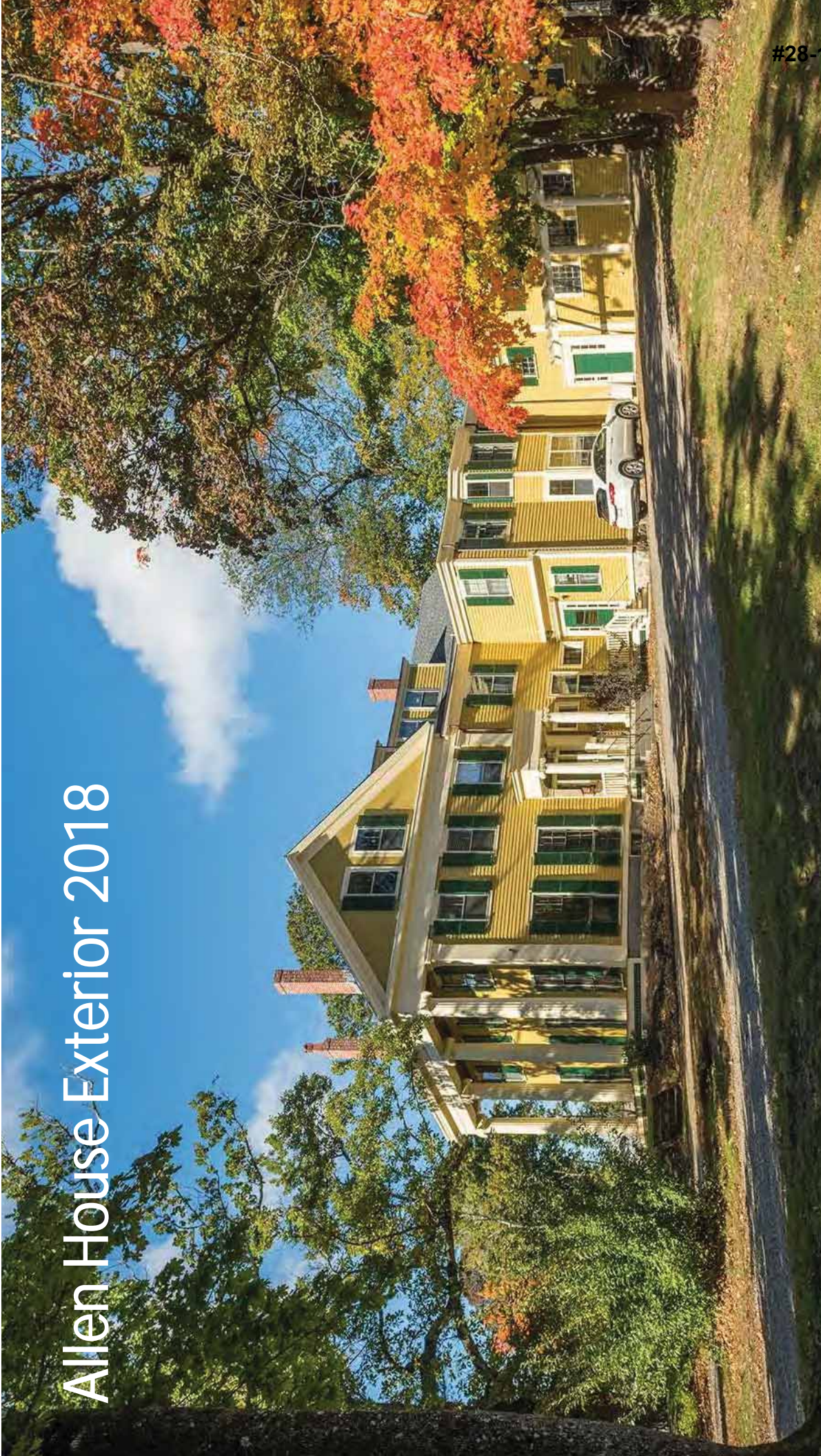
Nathaniel Allen Centre for Arts & Culture

Adaptive Reuse Final Phase (Phase 3)
CPC Presentation, December 11, 2018

Allen House c. 1800s



Allen House Exterior 2018



Allen House Barn, Pre-construction



Site Plan





1000 North 10th Street, Suite 200
Arlington, VA 22202
Tel: 703.243.1100
Fax: 703.243.1101
www.dla-arch.com

Phase Two -
Nathaniel Allen
House
30 Parkside Road
Falls Church, VA 22044

Table with 2 columns: Description, Date

Table with 2 columns: Description, Date



PROPOSED BASEMENT
PLAN

A1.0

Basement Plan

LEGEND:

- OPEN PUBLIC SPACES
- OPEN PUBLIC LOBBIES
- PRIVATE OFFICE SPACES
- BLACK BOX THEATER
- BLACK BOX THEATER (SUPPORT SPACES)
- NOT OPEN TO PUBLIC



PROPOSED BASEMENT PLAN (4028 SQ S.F.)



Phase Two
Nathaniel Allan
House
29500 11th Street
Brentwood, VA 22079

DATE: 12/12/19
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 SCALE: 1/8" = 1'-0"
 SHEET NO.: 11112
 PROJECT NO.: 20190023



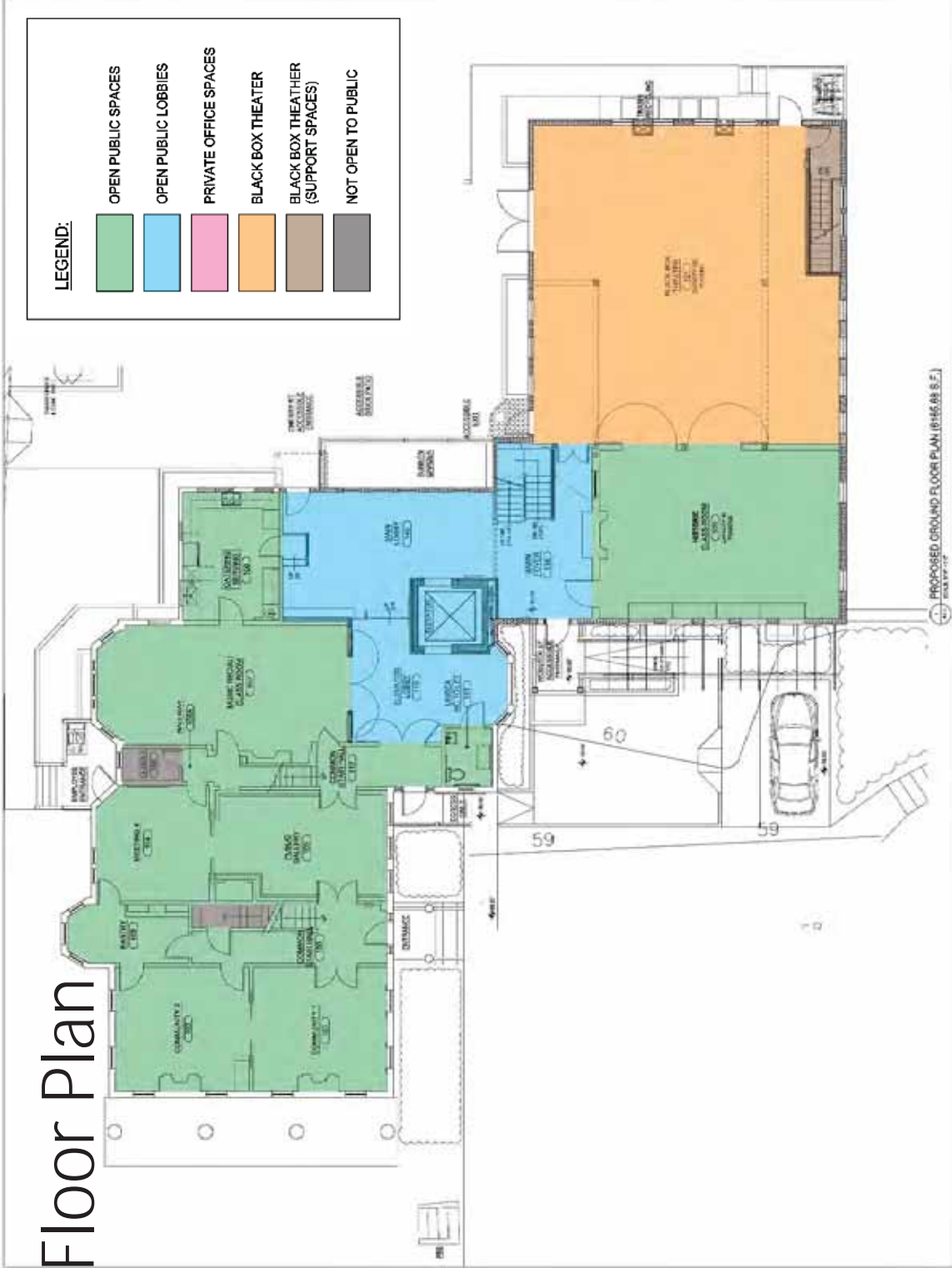
PROPOSED GROUND FLOOR PLAN

A1.1

Ground Floor Plan

LEGEND:

- OPEN PUBLIC SPACES
- OPEN PUBLIC LOBBIES
- PRIVATE OFFICE SPACES
- BLACK BOX THEATER
- BLACK BOX THEATER (SUPPORT SPACES)
- NOT OPEN TO PUBLIC





Phase Two-
Nathaniel Allen
House
1000 W. 10th Street
Baltimore, MD 21204

PROJECT NO.	18-001
DATE	10/15/18
DESIGNER	DLA
CLIENT	NATHANIEL ALLEN
LOCATION	BALTIMORE, MD
PHASE	PHASE TWO
SCALE	AS SHOWN
DATE PLOTTED	10/15/18
PLotted BY	DLA



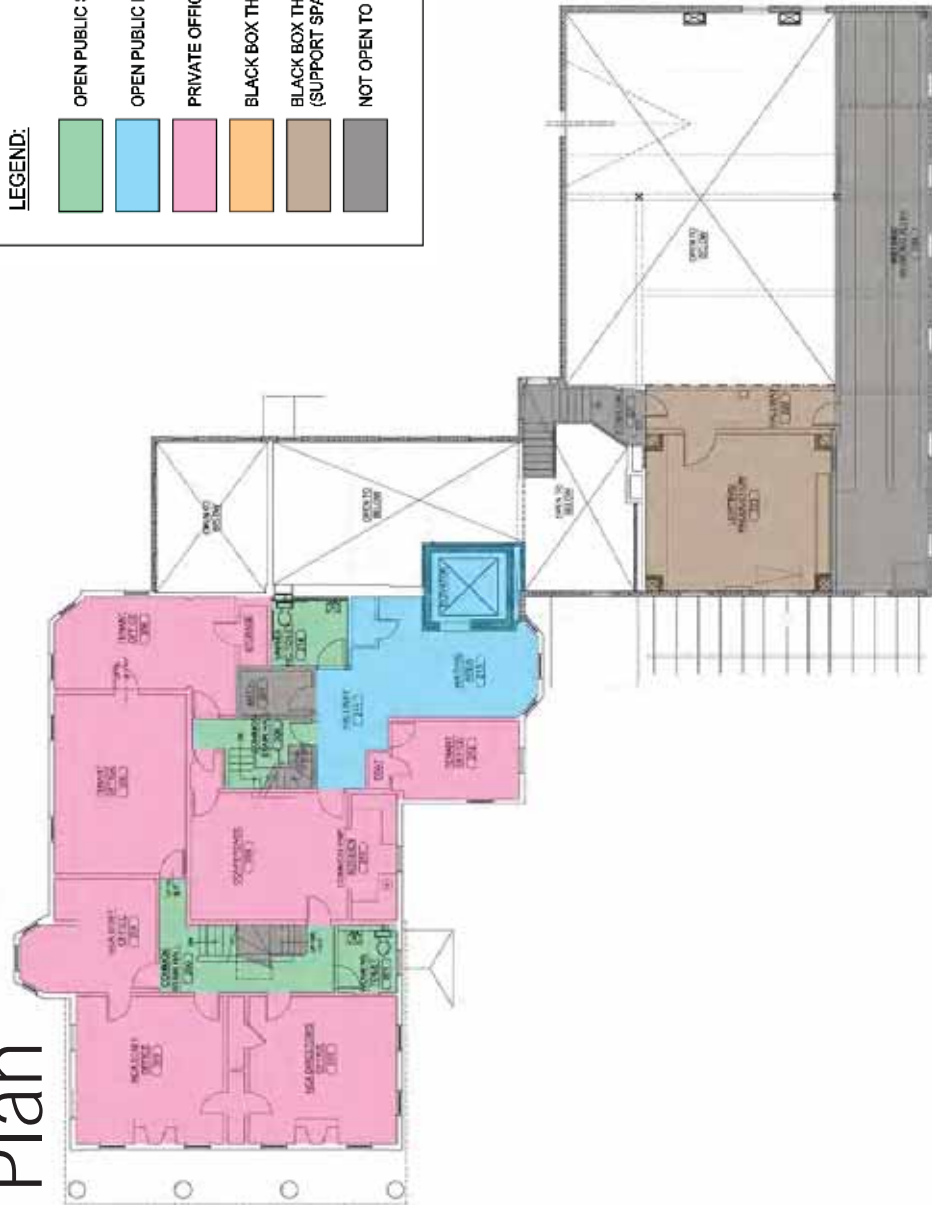
Sheet 113
PROPOSED SECOND
FLOOR PLAN

A12

Second Floor Plan

LEGEND:

- OPEN PUBLIC SPACES
- OPEN PUBLIC LOBBIES
- PRIVATE OFFICE SPACES
- BLACK BOX THEATER
- BLACK BOX THEATER (SUPPORT SPACES)
- NOT OPEN TO PUBLIC



(A) PROPOSED SECOND FLOOR PLAN (4800 SQ. FT. - EXCLUDING OPEN AREA)
10/15/18

Third Floor Plan



Phase Two-
Nathaniel Allen
House
20 Milliner Street
Boston, MA 02116

Project No.	11955.37
Client	Nathaniel Allen
Architect	DLA Architecture
Date	11/11/11
Scale	1/8" = 1'-0"
Sheet No.	A1.3
Sheet Title	PROPOSED THIRD FLOOR PLAN



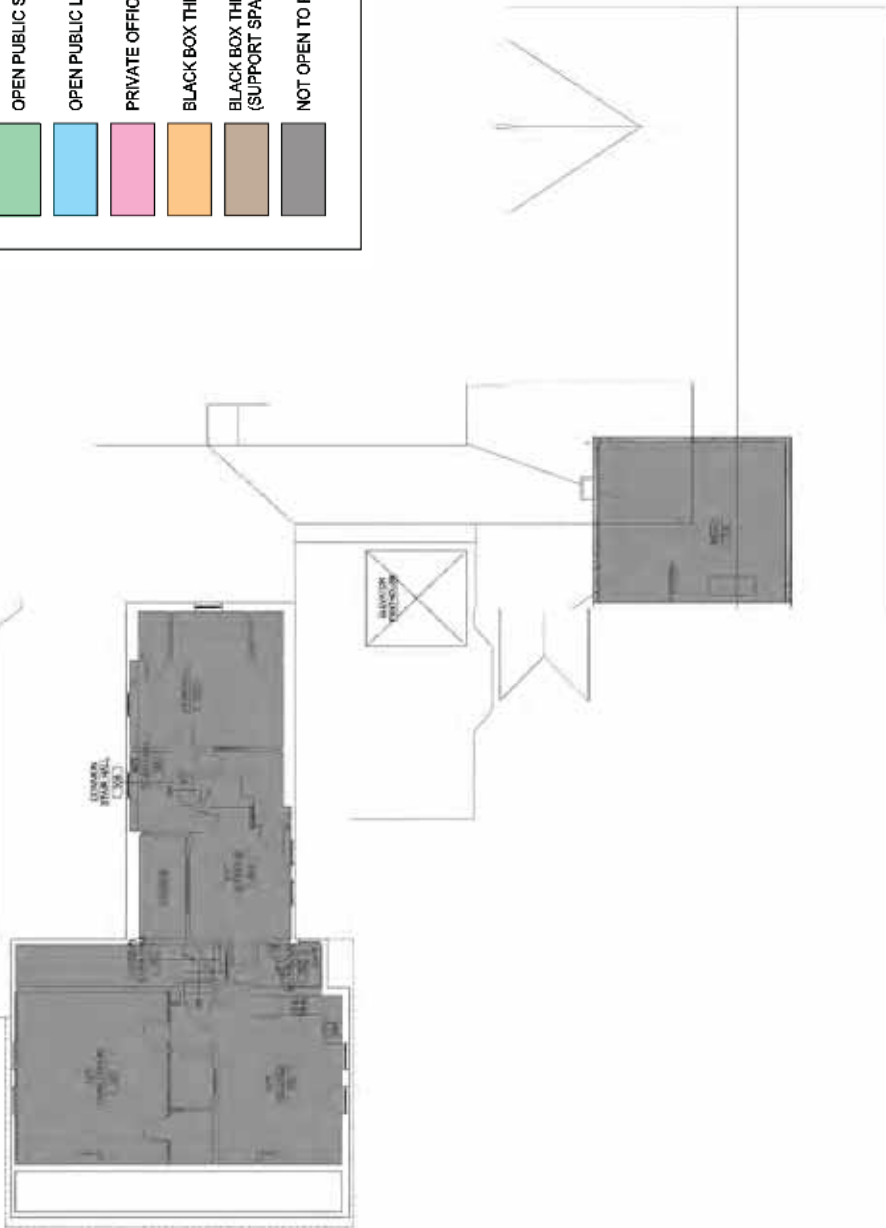
PROPOSED THIRD FLOOR PLAN

#28-19

A1.3

LEGEND:

- OPEN PUBLIC SPACES
- OPEN PUBLIC LOBBIES
- PRIVATE OFFICE SPACES
- BLACK BOX THEATER
- BLACK BOX THEATER (SUPPORT SPACES)
- NOT OPEN TO PUBLIC



PROPOSED THIRD FLOOR PLAN (1955.37 S.F.)

Project Timeline

Phase or Task	Season & Year
Reviews/approvals (City historical, zoning, site plan, MA access board) & working	12/2012 - 2014
PHASE I: bidding, construction for public access, safety improvements	
PHASE II:	
CPC & City Council process, contractor bidding, renovation to prepare for Jr.	Winter/Spring 2016
Junior League renovation/house décor and Show House	Spring 2016
Interior and Exterior Demolition (incl. structural bracing)	Late summer/Fall 2016
First office tenants move in	August 2016
Exterior restoration on house - roofs, carpentry, windows, paint	2016 - 2017
PHASE III: Part I	Fall 2018
Structural excavation, utilities, exterior repairs and begin interiors	
Interior Repairs and elevator shaft	Winter 2019
Complete restoration on barn - exterior work - carpentry, gutters, paint	Spring 2019
PHASE III: Part 2	Summer 2019
Elevator installation, interior barn finishes and geo-thermal installation	
Exterior paving, Landscaping, grounds	Summer 2019
Final inspections and launch community programming	Fall 2019

Development Budget - Uses of Funds

Acquisition (11/12) purchase price + closing costs	\$325,000
Phase I: (12/13 - 4/14/16) design & construction, legal fees, utilities, maintenance	\$810,000
Phase II (4/15/16 - 6/17) Prepare Junior League and for office tenants, public use	
Hard costs	\$685,000
Soft costs	\$280,000
Phase III - (7/17 - 10/19)	
Hard costs - site, construction	\$3,500,000
Soft costs - architect, engineers, legal	\$400,000
Contingency	\$300,000
Soft cost - interest on construction loan	\$100,000
Overall project costs	\$250,000
Finance expense	
Developer fee, management, staff	\$850,000
	TOTAL USES \$7,500,000

Development Budget - Sources of Funds

Source	Status (requested, expected, confirmed)	
Acquisition & Phase I		
CPA funding	Received (appropriated October 2014)	\$300,000
Village Bank	Received - Line of credit	\$750,000
NCA Donations/foundation	Received before 2/1/2016	\$550,000
Phases II and III		
CPA funding	Granted Spring 2016	\$2,000,000
MA Historic Tax Credits	Net amount at .90/\$1 of \$950K Allocated – not yet used	\$855,000
Mass Cultural Council CFF Grant	Spring 2016	\$270,000
MA Historic Tax Credits	2018 & 2019, add'l applications - \$150K gross. .90/\$1 net	\$135,000
Federal Historic Tax Credits	Approved 20% QRE est at \$4.0M @ .65/\$1	\$520,000
Mass Cultural Council CFF	Application January 2019	\$300,000
Capital Campaign	May 2016 - December 2019: individual/bus. (\$200K pledged as of 10/1/18)	\$920,000
Phase III		
CPC supplemental request		\$600,000
Village Bank	Additional permanent debt	\$300,000
	TOTAL SOURCES	\$7,500,000

Operations & Maintenance Budget

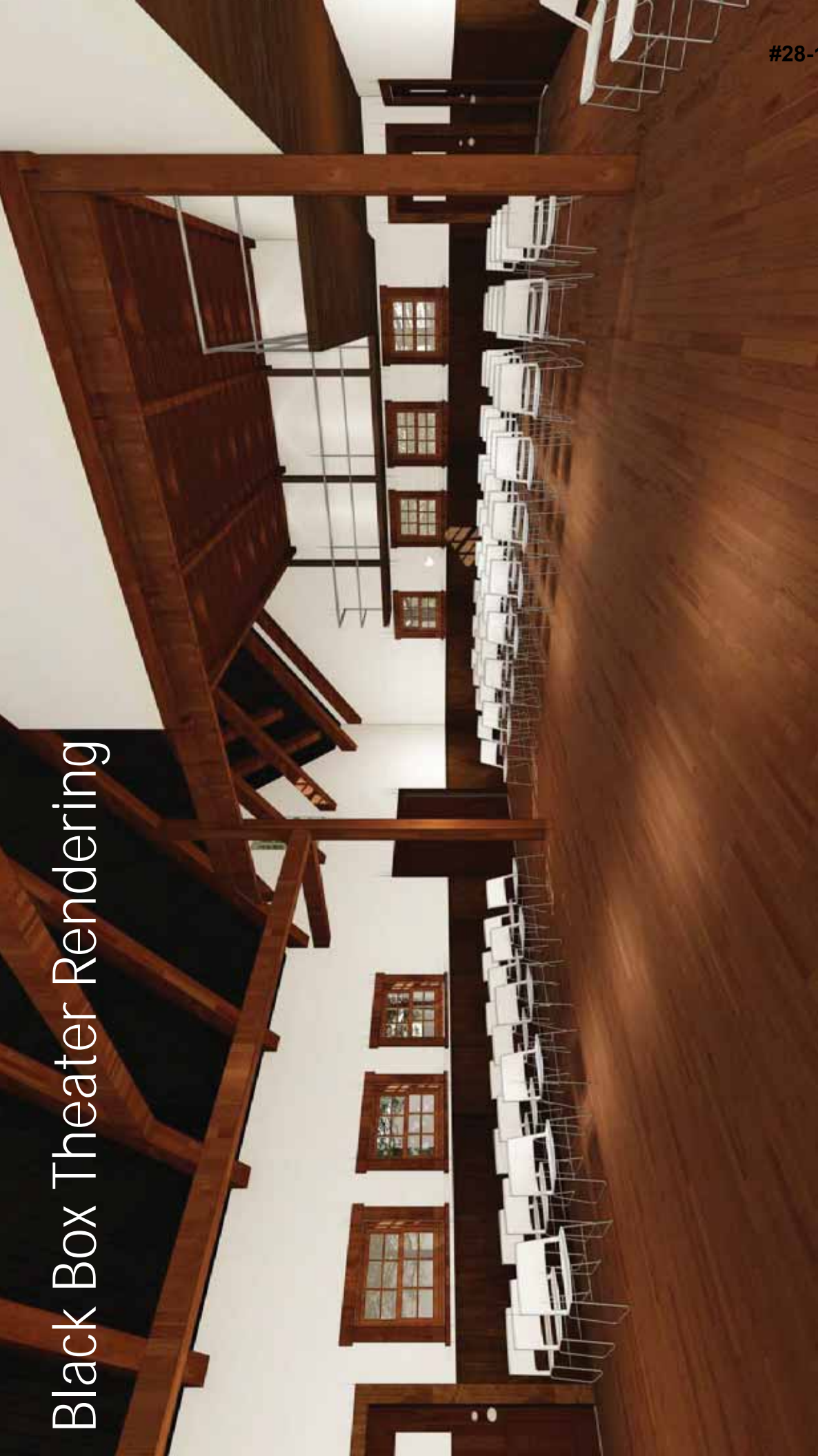
Uses of Funds projected for FY 20, first year of occupancy

Annual contracts (maintenance - snow, cleaning, insurance, etc.)	\$31,000
Repairs, maintenance	\$26,500
Utilities	\$16,000
Other: Mortgage, permits, property manager, reserve	\$95,500
TOTAL ANNUAL COST	\$169,000

Sources of Funds

Tenant office leases	\$42,000
House and barn event rentals	\$39,000
House and Barn class rentals	\$45,000
Weekend workshops/summer camps	\$10,000
NCA presents - a series of concerts, lectures, readings and theater offerings presented by NCA	\$15,000
Allen House Friends and other fees	\$22,400
TOTAL ANNUAL FUNDING	\$173,400

Black Box Theater Rendering



November 19, 2018

Community Preservation Committee
c/o Alice Ingerson, Community Preservation Program Manager
Newton Planning and Development Department
City Hall, 1000 Commonwealth Avenue
Newton, MA 02459

Re: Nathaniel Allen Homestead, 35 Webster Street, West Newton

Dear Alice and Members of the Community Preservation Committee:

This letter is written as the Newton Cultural Alliance (NCA) presents to you our Proposal for additional funding for the Nathaniel Allen Homestead rehabilitation and reuse project at 35 Webster Street in West Newton, as we work to complete the development this property for community and educational arts and cultural use. The NCA is most grateful to the CPC for your consideration of this application for the final work on this property; a significant part of the historic fabric of the City of Newton, on an expedited schedule.

Our need to request additional funding for this project is driven by the fact that when we put this project out to bid in the summer of 2018 the prices came in 50% higher than estimated 6 months earlier by a contractor estimator. This sudden change, brought on we understand by the saturated state of the building market and the newly imposed government tariffs in 2018, dealt a serious blow to our efforts to complete this project in a timely manner. We deeply appreciate the CPC's willingness to consider giving us a hand.

In addition to the material presented in the application and support materials we want to bring to your attention the following:

1. Following our conversation on 11/13/18 the 10 year operating budget has been edited.
2. Tax credit amounts are now all estimated based on current price estimates from consultant tax credit attorney Dan Kolodner.
3. Dan Kolodner has written a one- page summary of the Federal Tax Credit process for this application.

We look forward to meeting you on December 11th. In the meantime if there are questions please do not hesitate to ask.

Very truly yours,



Adrienne Hartzell Knudsen
Managing Director



Setti D. Warren
Mayor

Newton, Massachusetts Community Preservation Program FUNDING REQUEST

PRE-PROPOSAL

PROPOSAL

Form last updated 11 October 2018.

#28-19
(For staff use)

date rec'd:

rec'd 19
Nov 2018,
3:30 pm

For full instructions, see www.newtonma.gov/cpa or contact us:

Community Preservation Program Manager,
City of Newton Planning & Development Department, 1000 Commonwealth Ave., Newton, MA 02459
aingerson@newtonma.gov 617.796.1144

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.

Project TITLE	Nathaniel Allen Homestead, Phase 3		
Project LOCATION	Full street address (with zip code), or other precise location. 35 Webster St. , West Newton, MA 02465		
Project CONTACTS	Name & title or organization	Email	Phone
Project Manager	Adrienne Hartzell Managing Director, Newton Cultural Alliance	adriennehk@newtonculture.org adriennehartzell@gmail.com	617-969-6442 (h) 857-636-0199 (c)
Other Contacts	Laurel Farnsworth Board Member, Newton Cultural Alliance	df.1876.laurel@gmail.com	617-429-7297 (h) 617-244-2209 (c)
Project FUNDING	A. CPA funds requested: \$600,000	B. Other funds to be used: 1) Federal & MA historic tax credits, 2) Private donations/ capital campaign 3) Village Bank permanent debt 4) MA Cultural Facilities grants 5) earlier related CPC grant	C. Total project cost (A+B): \$7,500,000
Project SUMMARY	Explain as concretely as possible how the project will use the requested CPA funds (use a cover letter rather than this space for general information about the sponsoring organization's accomplishments). You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW.		
<p>The Nathaniel Allen Homestead is on the National Register of Historic Places (1978) & is a City of Newton Landmark (1997). In the 1850's Allen was a noted abolitionist & progressive educator, working with Horace Mann & championing co-education, racial integration & physical education. Education was a family pursuit as Nathaniel was joined by his brothers, cousins, and his children. His daughters opened the Misses Allen School, a college preparatory school for girls in 1904 at the 35 Webster Street family home. It closed in 1943. When the building was marketed for condos in 2012, the Newton Cultural Alliance (NCA) was able to purchase it on short notice with a \$250,000 private gift as fulfillment of a mission goal for the NCA - to develop collaborative arts and cultural facilities for the Newton community. Initially NCA conceived of this project in 2 phases. In early 2017 we determined we should re-align & do the project in 3 phases, which are summarized as follows:</p> <p>Acquisition: Late November 2012</p> <p>Phase I: 2013 - 4/2016. Work to make the building publicly accessible including new accessible toilet room & temporary access ramp, plumbing repairs and preparation for the Junior League work in 2016.</p> <p>Phase II: 5/2016-6/2017. Exterior restoration work including new roofs throughout, extensive carpentry restorative work on house clapboards, gutters, downspouts, columns & painting of said restored exterior.</p> <p>Phase III: 7/2017- 10/2019. Final restoration of excavation, exterior repairs & paint, adaptive reuse of barn for theater, classroom, toilet rooms, green room, elevator & geothermal HVAC system.</p> <p>In 4/18 all drawings were complete, city bid process undertaken & Phase III building permit issued. The bids came in, in the current economy nearly 50% higher than 12/17 estimates & we learned our federal tax credit opportunity was only half what was expected. The end result is we now find ourselves \$1M short in funds to complete the project. We return to the CPC to request additional funds to help finish this project & bring online a 21st century adaptive reuse of one of Newton's historical gems for arts, culture, creativity & community.</p>			

Project TITLE		Nathaniel Allen Homestead, Phase 3	
USE of CPA FUNDS	HISTORIC RESOURCES	Preserve	✓
		Restore/rehabilitate	✓
COMMUNITY NEEDS	From each of at least 2 plans linked to the Guidelines & Forms page of www.newtonma.gov/cpa , provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.		
<p>The Allen House is listed in the Newton Comprehensive Plan 2007, Section 9 – “Planning for & with History,” pp. 9-1 to 9-18. It is #5 on the Historic Properties Map. In accordance with the goals of the Comprehensive Plan of doing more with history, (p. 9-6) our project will follow Newton’s growing historic trend “...seeing history everywhere. By rehabilitating and integrating historic resources into everyday life,” However, true to a “special place for reasons of the heart” (p. 9-7) the Allen Homestead’s distinct architecture and history define the character of the neighborhood. The Allen House is also listed in the Appendix of the Heritage Landscape Report (p.52, rev.2010) in the section titled Residential/Neighborhood. While many significant old trees remain, many are also are in very poor condition. The Newton Tree warden has visited the property and in consultation with GROUND, the landscape designer with whom NCA is working, we will be working with the City to make a full preservation plan in accordance with good tree care practice. Our attorney, parking and engineering consultants have tried to balance the preservation of as much of the landscape as possible with the parking requirements of the zoning code for an educational and cultural facility. We have appeared before the Historical Commission and have had our project approved. It should be noted that the Draft Vision Plan for Hello Washington Street, presented 10/24/18 makes reference to the importance of arts and culture in the city - a key piece of which is developing facilities like the Allen House in support of community and creativity.</p>			
COMMUNITY CONTACTS	List at least 3 Newton residents or organizations willing and able to comment on the project and its manager’s qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. Consult staff on the community contacts required for your specific proposal.		
Name & title or organization	Email	Phone	Mailing address
Karen Haywood, neighbor	ktapper41@hotmail.com	617-332-2888	69 Walker St., Newton 02460
Erin Splaine, Minister, First Unitarian Society in Newton	minister@fusn.org	617-527-3203	First Unitarian Society of Newton, 1326 Washington St., Newton 02465
Mr. Gorham Brigham	Fgb3@comcast.net	617-965-2482	401 Cherry St., Newton 02465
Project TIMELINE	Phase or Task		Season & Year
	Historic commission, zoning approvals, site plan review, MA access board, working drawings		12/2012 - 2014
	PHASE I: Contractor bidding, construction, completion Phase I - public access, safety		2014 - 2015
	PHASE II: CPC presentation, City Council process, contractor bidding		Winter/Spring 2016
	PHASE II: Contractor bidding, renovation to prepare for Jr. League		Winter/Spring 2016
	Junior League renovation/house décor and Show House		Spring 2016
	Interior and Exterior Demolition (incl. structural bracing)		Late summer/Fall 2016
	First office tenants move in		August 2016
	Exterior restoration on house - roofs, carpentry, windows, paint		2016 - 2017
	PHASE III: Part I Structural excavation, utilities, exterior repairs and begin interiors		Fall 2018
	Interior Repairs and elevator shaft		Winter 2019
	Complete restoration on barn - exterior work - carpentry, gutters, paint		Spring 2019
	PHASE III: Part 2 Elevator installation , interior barn finishes and geo-thermal installation		Summer 2019
	Exterior paving, Landscaping, grounds		Summer 2019
	Final inspections and launch community programming		Fall 2019

Project TITLE		Nathaniel Allen Homestead, Phase 3
SUMMARY CAPITAL/DEVELOPMENT BUDGET		
Uses of Funds		
Acquisition (11/12) purchase price + closing costs		\$325,000
Phase 1 and 1A: (12/13 - 4/14/16) design & construction, legal fees, utilities, maintenance		\$810,000
Phase 2 (4/15/16 - 6/17) Prepare Junior League and for office tenants, public use		
Hard costs		685,000
Soft costs		280,000
Phase 3 - (7/17 - 10/19)		
Hard costs - site, construction		3,500,000
Soft costs - architect, engineers, legal		400,000
Contingency		300,000
Soft cost - interest on construction loan		100,000
Overall project costs - Finance expense		250,000
Developer fee, management, staff		850,000
D. TOTAL USES (should equal C. on page 1 and E. below)		\$7,500,000
Sources of Funds	Status (requested, expected, confirmed)	
Acquisition & Phase 1/1A		
CPA funding	Received (appropriated October 2014)	\$300,000
Village Bank	Received - Line of credit	\$750,000
NCA Donations/foundation	Received before 2/1/2016	\$550,000
Phases 2 and 3		
CPA funding	Granted Spring 2016	\$2,000,000
MA Historic Tax Credits	Net amount at .90/\$1 of \$950K Allocated – not yet used	\$855,000
Mass Cultural Council CFF	Spring 2016	\$270,000
MA Historic Tax Credits	2018 & 2019, add'l applications - \$150K gross. .90/\$1 net	\$135,000
Federal Historic Tax Credits	Approved 20% QRE est at \$4.0M @ .65/\$1	\$520,000
Mass Cultural Council CFF	Application January 2019	\$300,000
Capital Campaign	May 2016 - December 2019: individual/bus. (\$200K pledged)	\$920,000
Phase 3		
CPC supplemental request		\$600,000
Village Bank	Additional permanent debt	\$300,000
E. TOTAL SOURCES (should equal C. on page 1 and D. above)		\$7,500,000
SUMMARY ANNUAL OPERATIONS & MAINTENANCE BUDGET (cannot use CPA funds)		
Uses of Funds projected for FY 20, first year of occupancy See detailed 10-year projection attached.		
Annual contracts (maintenance - snow, cleaning, insurance, etc.)		\$31,000
Repairs, maintenance		\$26,500
Utilities		\$16,000
Other: Mortgage, permits, property manager, reserve		\$95,500
F. TOTAL ANNUAL COST (should equal G. below)		\$169,000
Sources of Funds		
Tenant office leases		\$42,000
House and barn event rentals		\$39,000
House and Barn class rentals		\$45,000
Weekend workshops/summer camps		\$10,000
NCA presents - a series of concerts, lectures, readings and theater offerings presented by NCA		\$15,000
Allen House Friends and other fees		\$22,400
G. TOTAL ANNUAL FUNDING (should equal F.)		\$173,400

Project TITLE		Nathaniel Allen Homestead, Phase 3		Attachments for Full Proposal	
↓ Check off submitted attachments here.					
REQUIRED	X	PHOTOS			
	X	MAP			
REQUIRED	X	HISTORIC SIGNIFICANCE			
PROJECT FINANCES printed and as computer spreadsheets, with both uses & sources of funds					
REQUIRED	X	project development pro forma/capital budget: include total cost, hard vs. soft costs and contingencies, and project management – amount and cost of time from contractors or staff (in-kind contributions by existing staff must also be costed)			
	X	project operating/maintenance budget, projected separately for each of the next 10 years (CPA funds may not be used for operations or maintenance)			
	X	non-CPA funding: commitment letters, letters of inquiry to other funders, fundraising plans, etc., including both cash and est. dollar value of in-kind contributions			
	X	Federal Historic tax credits: explanation of process and value			
SPONSOR FINANCES & QUALIFICATIONS					
REQUIRED	X	Newton Cultural Alliance most recent annual operating budget (revenue & expenses) & financial statement (assets & liabilities)			
	X	Project team qualifications: relevant training & track record of managing similar projects, including prior phases of this project			
	X	professional design & cost estimates: include site plan, floor plans & elevations			
	X	materials & finishes; highlight “green” or sustainable features & materials			

See also additional attachments list provided by proposal sponsor, which overlaps but does not coincide with this one.

See also preceding list attachments required by CPC, **#28-19**
which overlaps but does not coincide with this attachments list provided by proposal sponsor.

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

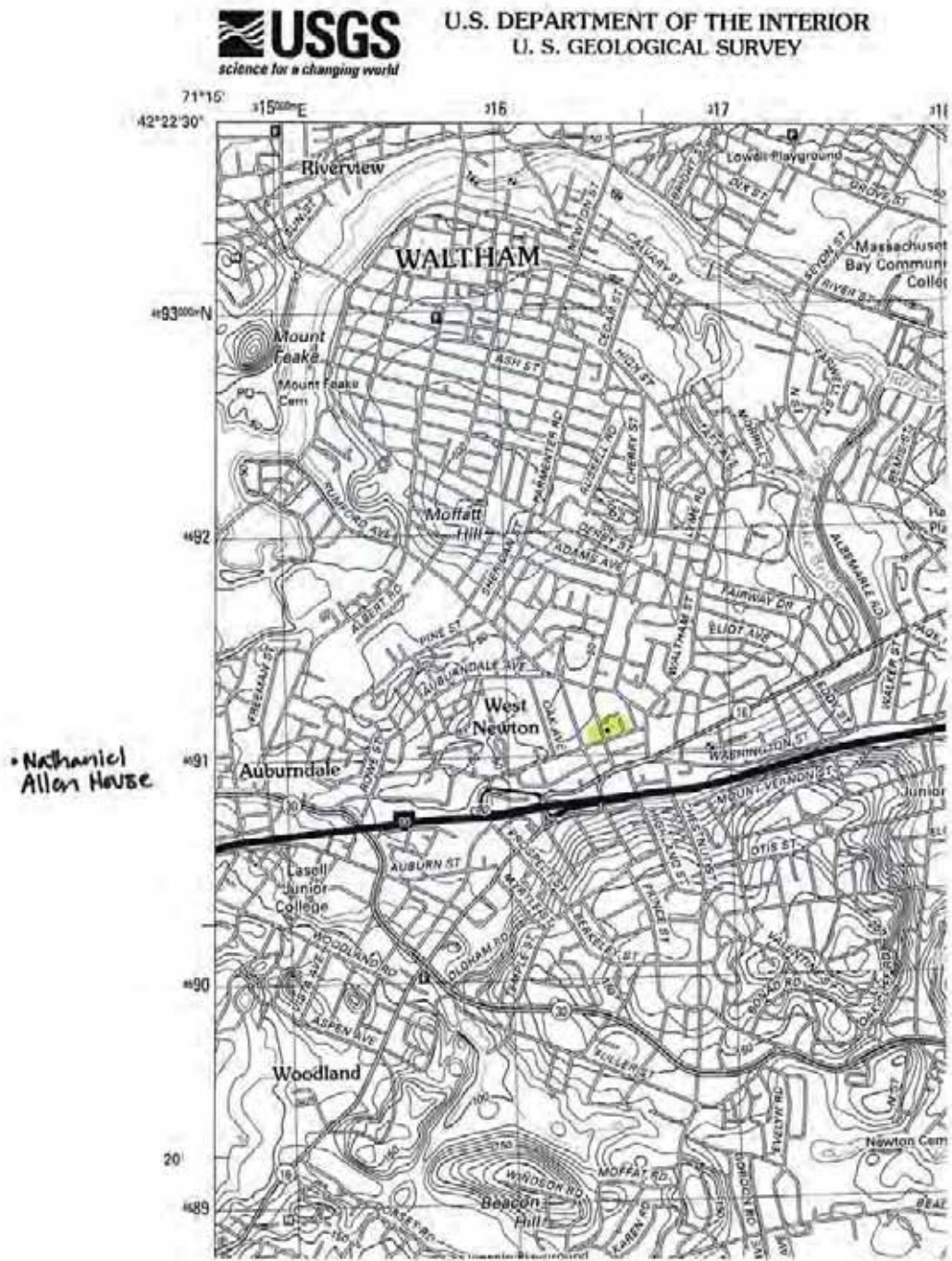
November 2018

ATTACHMENTS

1. Photos
2. Map of building location
3. Historic significance
4. Project Finances
 - a. Pro forma
 - b. Project operating/maintenance budget for 10 years, revised 11/15/2018
 - c. Non CPA funding
 - i. National Park Service letter approving 20% QRE reimbursement (applies only to portion of property not yet in service)
 - ii. Mass Historic - chart from most recent round of grants showing totals (additional application filed 8/18, more to follow beginning 1/19)
 - iii. Mass Cultural Council Cultural Facilities Fund notice of intent to apply, filed 11/15/18, final application due 1/11/19
 - iv. NCA Capital Campaign Strategy
5. Sponsor Finances & Qualifications
 - a. Organizational operating budget
 - b. Project team qualifications: Donald Lang, George Hu, Classic Construction, Adrienne Hartzell Knudsen, Laurel Farnsworth, Dan Kolodner
 - c. Federal Historic Tax Credit explanation
6. Design and Construction
 - a. Professional design documents, updated from 2016
 - b. Classic Construction Cost Estimate
 - c. Materials & Finishes

NOTE: On the Newton CPC website, this file includes a summary of changes made to plans since the plans submitted with 2016 CPA proposal, but larger-scale images of plans highlighting those changes and keyed to that summary are posted separately.

Nathaniel Allen House, Description of Rehabilitation



Nathaniel Allen House, Description of Rehabilitation



Nathaniel Allen House, Description of Rehabilitation



Nathaniel Allen House, Description of Rehabilitation



Nathaniel Allen House, Description of Rehabilitation



**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018**

Architectural Description of Significant Historic Features

The Nathaniel Allen Homestead, located at 35 Webster Street, West Newton, Massachusetts was constructed ca. 1854 and served as the residence for pioneer educator Nathaniel Topliff Allen from 1854 until his death in 1903. The building also served as a boys' dormitory and supplemental classroom space for the students of the West Newton English and Classical School directed by Allen. After the death of Allen his daughters operated a girls' school on the property until 1943.

Historical appearance: The property has had few changes since the early 20th century, so the historical appearance is intact. The most prominent Main Block of the House is four bays wide and three deep with a gabled roof. The main façade facing Webster Street has a full length open colonnaded porch with the eave overhang and entablature supported by four tapered fluted monumental Ionic columns, including one capital recently reproduced according to the Secretary of the Interior's Standards. The two-story front wall, shielded by the open porch, has flush board siding and four bays, each with shutters, up and down. The first-story windows have triple hung sash with six-over-six-over-six lights and the second-story windows are six-over-six double hung, all set in simple slightly projecting wood frames. The gable ends of the Main Block of the House each have a full wide band of trim forming the boxed molded cornice and two windows in each peak. The uniting feature of the Main Block of the House is the wide entablature of molded cornice and three beaded boards and a trim piece making up the frieze. There are two tall interior chimneys centered on the front roof slope.

The East side of the Main Block of the House is marked by a side hall entrance that faces the driveway off Webster Street and has a shallow hipped roofed open porch supported by a fluted Ionic column on each outside corner and plain square pilasters. The entrance door and surround with a leaded fanlight and leaded half side lights and narrow reeded pilasters framing the side lights. The door is a six-paneled wide door. Attached to the West side is a two-story polygonal projecting bay that partially overlaps the join between the Main Block and Rear Ell. Most likely this is a late nineteenth century addition.

Extending from the rear of the house to the North is a two and one-half story Rear Ell and farther to the north a lower two-story North Side Ell. The sides of the Rear Ell have been built out with two-story East and West Side Ell flat roofed sections with exterior walls on the same plane as the Main Block side walls. On each slope of the ultimate gable roof of the Rear Ell is a wide shed roof dormer with two windows in each face. On the East side of the house at the rear, a two story gable roof North Side Ell extends East and West to connect with the barn. Filling in the Northeast corner between the expanded Rear Ell and the East Side Ell is a flat roofed late nineteenth century two-story addition with a two-story projecting angled bay on the East wall. The West Side Ell of the expanded Rear Ell has a recessed entrance which is on an angle within the recess and has an Italianate door with paired round-headed lights on one angle and a window of the other.

Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018

The South face of the barn presents its gable front facing Webster Street and aligns with the front of the house Rear Ell. A dilapidated pergola of the early twentieth century extends parallel to this façade. Windows are casement with six-by-six sash with three up and five down. In the gable peak is a triangular shaped, slightly raised matchstick fan. The Barn is six bays deep and displays an irregular fenestration pattern on the East side wall which is on a raised stone foundation. Most windows on the side of the Barn are six-over-six double hung sash. The northern most bay of the Barn is an early 20th century addition that was remodeled in the late 20th century with new windows and doors.

Significant Features

On the house

- 1840 Main House Porches including four monumental Ionic columns facing Webster Street on the South side, Main Entrance Porch with roof, cornice, columns, door and leaded glass sidelights along with Side Open Porch both on East side and Recessed Entrance Side Porch on West side.
- Roof, including slate roof, asphalt roofs, dormers, flat roofs, three chimneys, one chimney pot and one skylight.
- Two interior stairways, with newell posts, handrails, balusters and trim including adjacent stair boards, base boards and wainscot trim.
- Four first floor Parlors, Butler's Pantry with glass cabinet, Small and Large Dining Rooms on first floor of Main House.
- Oak flooring, tall built up painted mopboards, window trim, ceiling moldings and rosettes in the Main House. Stained wood baseboards, door and window trim, plate rail, fire place trim and millwork in Large Dining Room.
- Pocket doors, four panel doors, fluted door casings, plinth blocks and corner block trim, recessed window shutters, wainscot, five fireplace surrounds and mantels.
- Decorative painting of walls in first floor Parlor 4, decorative corbels above archway at second floor Sitting Room 1 in the Main House.
- Light fixtures: Colonial Revival chandelier in the Main Entrance Hall, electrified gas wall sconce fixtures and two early 20th century ceiling lights with hanging glass shades in the Large Dining Room.

Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018

On the barn

- Roof, including asphalt roofs, dormer and one chimney.
- Heavy timber roof trusses including iron rods in place of king posts above former Gymnasium and Science Classroom.
- One interior stairway, with newell posts, handrails, balusters and trim including adjacent stair boards, base boards and wainscot trim.
- First floor Classroom with fire place, beamed ceiling, stained wood wainscot, doors, windows, trim, benches and electrified gas wall sconce light fixtures.
- Second floor Science Classroom with painted wood doors, windows, trim, glass cabinets and millwork.
- Second floor bowling alley with painted hardwood alley, wood flooring and wood door, unfinished wood walls, ceiling and scoring chalkboard.

On the property

- Natural topography and grading with a one story level change down from West to East accomplished at the East end of the Barn.
- One large square granite post at the Webster driveway, connecting to a low dry laid stone retaining wall along the Webster Street public sidewalk and a similar full story retaining wall at the Southeast corner of the Barn
- Large west lawn and smaller East lawn with existing trees over 10" caliper and a wood board fence along portions of the Eastern and Northern property lines.

Three gravel driveways, from Webster and Cherry Streets and Columbus Place with a maximum of 40 parking spaces. No monolithic paving is allowed.

**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018**

PRO FORMA

Uses of Funds			
	Acquisition and closing costs	325,000	325,000
Phase I	Hard costs	480,000	
	Soft costs - Architecture and Engineering	330,000	
	Total Phase I	810,000	810,000
Phase II	Hard costs	685,000	
	Soft costs - Architecture and Engineering	280,000	
	Total Phase II	965,000	965,000
Phase III			
	General and Existing Conditions	395,723	
	Masonry	99,363	
	Concrete	100,545	
	Metals	29,216	
	Carpentry & millwork	638,848	
	Envelope - roofing & insulation	99,259	
	Doors and Windows	130,683	
	Finishes - flooring, paint, plaster	290,214	
	Specialties - signage, toilets, etc	8,468	
	Equipment	50,007	
	Casework - shades, mats	7,487	
	Conveying equipment	212,084	
	Fire stopping & suppression	125,412	
	Plumbing	36,578	
	HVAC	712,084	
	Electrical - & fire alarm	161,847	
	Earthwork - site work	256,947	
	Exterior work - landscape	145,235	
	Total Hard Costs Phase III	3,500,000	
	Total Soft Costs Phase III	400,000	
	Total Phase III	3,900,000	3,900,000
	Overall Project Expenses		
	Contingency	300,000	
	Finance Expenses	250,000	
	Construction Interest	100,000	
	Developer Fee	600,000	
	Management and staff	250,000	
	Total overall project expenses	1,500,000	1,500,000
TOTAL Uses of Funds			7,500,000
Sources of Funds:			
	CPA - grants of 2014, 2016	2,300,000	
	Village Bank Debt (750 + 300)	1,050,000	
	MA Cultural Council (270+300)	570,000	
	NCA - donations before 2017	550,000	
	Capital Campaign - new funds incl. \$200k in pledges rec'd	920,000	
	MA Historic Tax Credits - net	990,000	
	Federal Historic Tax Credits - net	520,000	
	CPA - Additional request	600,000	
TOTAL Sources of Funds		7,500,000	7,500,000

On Newton CPA website, this construction cost estimate is repeated below, in the section summarizing construction materials & changes to plans since 2016.

**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018**

Cost Estimate - Phase III

Construction Expense		
Phase III	General requirements	336,000
	Existing conditions	140,793
	Concrete	101,191
	Masonry	101,115
	Metals	28,806
	Wood, plastics, composites	527,563
	Thermal & moisture protection	118,531
	Openings	267,202
	Finishes	233,964
	Specialties	9,913
	Furnishings	3,932
	Fire suppression	101,115
	Plumbing	24,000
	HVAC	149,000
	Electrical	162,000
	Earthwork	201,571
	Exterior Improvements	80,628
	Sub total	2,587,324
Deferred Construction		
Expense	Geothermal system - net	700,000
	Basement & 3rd floor finish	184,335
	Elevator installation - equipment	147,000
	Sub total	1,031,335
Soft Costs		
	Architectural & Engineering	400,000
	Contingency	300,000
	Construction Interest	100,000
	Sub total	800,000
	Phase III TOTAL	4,418,659

**Newton Cultural Alliance
Nathaniel Allen Homestead
10 year operating budget**

	Forecast FY20	Forecast FY21	Forecast FY22	Forecast FY23	Forecast FY24	Forecast FY25	Forecast FY26	Forecast FY27	Forecast FY28	Forecast FY29	Forecast FY30
Income											
Tenant Leases (2nd Floor)	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
Tenant Lease (3rd Floor)	\$0	\$6,000	\$6,000	\$6,000	\$6,000	\$6,500	\$6,500	\$6,500	\$7,000	\$7,000	\$7,000
Weekday Class Rental (Barn & Hse)	\$45,000	\$47,000	\$50,000	\$55,000	\$60,000	\$61,000	\$61,000	\$62,000	\$62,000	\$63,000	\$63,000
Weekend workshops/summer camp	\$10,000	\$12,000	\$15,000	\$15,000	\$15,000	\$17,000	\$17,000	\$18,000	\$18,000	\$19,000	\$19,000
Event Rentals (Main House)	\$27,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000
Event Rentals (Barn)	\$12,000	\$15,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
NCA presents	\$15,000	\$18,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Leases & Rentals	\$151,000	\$174,000	\$185,000	\$190,000	\$195,000	\$198,500	\$198,500	\$200,500	\$201,000	\$203,000	\$203,000
Other Fees (Event Extras)	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Allen House Friend Donations	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Income	\$173,400	\$196,400	\$207,400	\$212,400	\$217,400	\$220,900	\$220,900	\$222,900	\$223,400	\$225,400	\$225,400
Expenses											
Annual Contracts											
Cleaning - regular	\$12,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Cleaning Supplies	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Fire Alarm	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Security System	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Trash Removal	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Property Insurance	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Total Annual Contracts	\$31,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
Repairs & Maintenance											
Electrical	\$1,000	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	\$1,172	\$1,195
Heating & Plumbing/HVAC	\$7,500	\$7,500	\$7,650	\$7,803	\$7,959	\$8,118	\$8,281	\$8,446	\$8,615	\$8,787	\$8,963
Computers / IT	\$1,000	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	\$1,172	\$1,195
Groundskeeping	\$15,000	\$15,000	\$15,300	\$15,606	\$15,918	\$16,236	\$16,561	\$16,892	\$17,230	\$17,575	\$17,926
Painting & Misc. Repairs	\$2,000	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247	\$3,312	\$3,378	\$3,446	\$3,515	\$3,585
Total Repairs & Maintenance	\$26,500	\$27,500	\$28,050	\$28,611	\$29,183	\$29,767	\$30,362	\$30,969	\$31,589	\$32,221	\$32,865

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

ATTACHMENTS

PROJECT FINANCES

10 Year Operating Budget

NOTES

The 10 year operating budget for the full proposal for the Nathaniel Allen House has been edited since the Pre-Proposal conversation on 11/13/2018. These changes include the following:

1. Error in income: \$500 for 3rd floor tenant/care taker should have been monthly, not annual.
2. Some income has been reduced a bit as we look at a potentially leaner first year.
3. Note: income escalation over the years is in some cases a percentage and others lump sums. The latter reflects an increase in number of rentals. In some lines both were used, starting with an increase in number of rentals and followed by percentage as we project increased hourly cost for users.
4. Some annual contracts were increased.
5. Note: each year shows a projected surplus. Some of this has been re-directed to an increase in the annual reserve fund contribution. It is expected that shall we have an annual surplus these funds would be directed either to other necessary and unanticipated expense or to the reserve fund.



UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

#28-19
RECEIVED
OMB Approved
No. 1024-0009
Form 10-168
Rev. 2014
JUN 26 2017

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 2 - DESCRIPTION OF REHABILITATION

NPS Project Number MASS. HIST. COMM
36943

Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other, supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

1. **Property Name** Allen House
Street 35 Webster Street
City Newton **County** Middlesex **State** MA **Zip** 02465-1856
Name of Historic District _____
 Listed individually in the National Register of Historic Places; date of listing 1/09/1978
 Located in a Registered Historic District; name of district _____
 Part 1 - Evaluation of Significance submitted? **Date submitted** _____ **Date of certification** _____

2. **Project Data**
Date of building 1844, 1852 **Estimated rehabilitation costs (QRE)** \$5,259,400
Number of buildings in project 1 **Floor area before / after rehabilitation** 13,382 / 13,382 sq ft
Start date (estimated) 12/01/2013 **Use(s) before / after rehabilitation** Res. / Com.
Completion date (estimated) 12/01/2018 **Number of housing units before / after rehabilitation** 0 / 0
Number of phases in project 3 **Number of low-moderate income housing units before / after rehabilitation** 0 / 0

3. **Project Contact (if different from applicant)**
Name Brian Lever **Company** Epsilon Associates, Inc.
Street 3 Clock Tower Place, Suite 250 **City** Maynard **State** MA
Zip 01754-2566 **Telephone** (978) 461-6261 **Email Address** blever@epsilonassociates.com

4. **Applicant**
I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that [check one or both boxes, as applicable] (1) I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or (2) if I am not the fee simple owner of the above-described property, the fee simple owner is aware of the action I am taking relative to this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this application form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of 36 CFR § 67.3(a)(1) (2011). For purposes of this attestation, the singular shall include the plural wherever appropriate. I understand that knowing and willful falsification of factual representations in this application may subject me to fines and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 8 years.
Name Laurel Farnsworth, President **Signature** *Laurel Farnsworth* **Date** June 14, 2017
Applicant Entity Newton Cultural Alliance **SSN** _____ **or TIN** 27-0590276
Street 1301 Centre Street **City** Newton **State** MA
Zip 02459-2448 **Telephone** (617) 332-4300 **Email Address** adriennehartzell@gmail.com
 Applicant, SSN, or TIN has changed since previously submitted application.

NPS Official Use Only
The National Park Service has reviewed the Historic Preservation Certification Application - Part 2 for the above-named property and has determined that:
 the rehabilitation described herein is consistent with the historic character of the property and, where applicable, with the district in which it is located and that the project meets the Secretary of the Interior's Standards for Rehabilitation. This letter is a preliminary determination only, since a formal certification of rehabilitation can be issued only to the owner of a "certified historic structure" after rehabilitation work is complete.
 the rehabilitation or proposed rehabilitation will meet the Secretary of the Interior's Standards for Rehabilitation if the attached conditions are met.
 the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.
Date 10/5/2017 **National Park Service Authorized Signature** *Jo Ellen Henning*
 NPS conditions or comments attached

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

CONDITIONS SHEET
Historic Preservation Certification Application

Property name: Allen House

Project Number: 36943

Property address: 35 Webster Street, Newton, MA

The rehabilitation of this property as described in the Historic Preservation Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation provided that the following condition(s) is/are met:

1. **New Covered Portico** – The south entrance to the barn may have a new covered porch but **may not** incorporate the historic ionic columns from the west porch. These historic columns are much too formal for the entrance to the barn and create a false sense of historical development. The porch must have simple posts, either square or chamfered.
2. **Insulation** – The exterior walls may have insulation blown in from the exterior only if there is sheathing behind the siding and if individual clapboards are removed to access the wall cavity. If there is no sheathing beneath the siding, the insulation could hold moisture against the interior surface of the siding or insulation could force its way between the clapboards. Holes must not be bored into the finished clapboards to blow in the insulation.
3. **Exposed Joists** – The proposed exposed joists at the new elevator lobby in the rear connector and the catering kitchen must not be stained. They must be painted to match the ceiling above. This ceiling must be finished with plaster or gypsum board to provide a more finished appearance.

Photographs documenting that the conditions have been met must be submitted with the Request for Certification of Completed Work.

Any substantive change in the work as described in the application should be brought to the attention of the State Historic Preservation Office and the National Park Service in writing prior to execution to ensure that the proposed project continues to meet the Standards.

The National Park Service has determined that this project will meet the Secretary of the Interior Standards for Rehabilitation if the condition(s) listed in the box above are met.

10/5/2017
Date


National Park Service Signature

Telephone Number

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

Summary of the Federal Historic Tax Credit Program

The Federal government has a tax incentive program for preservation of certified historic properties such as properties on the Federal Register like the Nathaniel Allen House. The program is administered by the National Park Service and the IRS. This program permits sponsors of historic rehabilitation projects to claim a federal tax credit in the amount of 20% of certain Qualified Rehabilitation Expenditures (QREs). QREs include all construction costs and certain eligible soft costs, but not acquisition costs or personal property/fixtures. The sponsors/members who own the project at placement in service of the rehabilitated project receive the tax credits. The tax credits can also be monetized by bringing in an outside entity to claim the tax credits as a new member of the ownership entity.

In the case of the Allen House, because roughly 40% of the property has been placed into service prior to admission of a federal tax credit investor, only roughly 60% of our total QRE (\$6,224,000) can be monetized with such a tax credit investor separate from the tax exempt sponsors. Please note that both the amount of the property placed into service and the amount of the QRE are good faith estimates. We plan on working with a tax credit accounting firm to determine the exact amounts of eligible federal tax credits, but we have received guidance to help roughly determine such estimates..

In addition to the challenge regarding partial placement of the building, the Federal tax credit program (unlike the MA Historic Tax Credit) requires that the owner of the project be a for-profit entity. With that said, many tax-exempt sponsors have been able to utilize both federal and MA HTCs for projects around the Commonwealth. The process for a non-profit to take advantage of the program is to either (i) transfer the ownership of the property to a new for-profit entity, often a wholly owned subsidiary, or (ii) ground lease the project to a new entity, managed by related entity to the non-profit sponsor. In both cases, a HTC investor member would also be admitted to the new entity in order to claim the federal HTC and to invest capital in the project. Typically these investors are large developers or banking institutions who can most benefit from the tax credits. As federal and MA Historic Tax Credits share a 5-year compliance period, at the end of such period typically the ownership of the Project returns to either the tax-exempt sponsor or an entity controlled by such sponsor. In the case of the Allen House, it is understood and will be documented appropriately that the use of the building remains non-profit educational and community arts and cultural use, managed by the NCA.

**MASSACHUSETTS HISTORICAL COMMISSION
HISTORIC REHABILITATION TAX CREDIT PROGRAM
ROUND 42 AWARDS**

4.19.18

*(Excerpt from downloaded original full table, which must be read on a computer to be legible.
Full table is available upon request.)*

Rd	City/Town	Project	Use**	Prior Rounds Applied	Qualified Rehab. \$	20% QRE	Total Project Cost	Proponent Name
492	Newton	Nathaniel Allen House, 35 Webster St	E	29, 30, 31, 37, 38, 40, 41	\$5,224,000.00	\$1,044,800.00	\$6,224,000.00	Laurel Farnsworth

Company	Total Prior Awards	Round 37 Awards	Round 38 Awards	Round 39 Awards	Round 40 Awards	Round 41 Awards	Total Awards	Remaining Credit to Award	Round 42 Awards
Newton Cultural Alliance	\$600,000.00	\$0.00	\$100,000.00		\$100,000.00	\$50,000.00	\$850,000.00	\$194,800.00	\$100,000.00

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

NON CPA FUNDING

Massachusetts Historical Commission Historic Rehabilitation Tax Credit Program

The NCA has been allocated \$950,000 in state historic tax credits. The last allocation was in Round 42d announced on 4/19/18 and was for \$100,000. This was our 9th application to this program as typically they make awards 3 times per year based on the state budget allocation.

On the reverse is an excerpt from the chart of announced allocations showing our grant. In the second row, third box from the end you will see the allocations prior to this round (\$850K). In the last box is the Round 42 allocation (\$100K), bringing the total to \$950K.

To be clear, the next to last box states “remaining credit to award” and is the amount, based on our stipulated at the time of the application (1/18) Qualified Rehabilitation Expense (QRE) of \$5,224,000. This is the amount upon which the 20% available tax credits is based. Since the time of that application in 1/18 our QRE has increased by roughly \$1M which means we are eligible for credits up to \$1.24M.

What makes the value of these credits uncertain is two things: 1) what they will sell for on the open market and 2) what the exact amount of the QRE will be once the project is finished. These credits are only available on a reimbursable basis on completion of the project. Not every expense is considered a qualified rehabilitation expense. As a result these are good faith estimates based on the contract budget prices from the contractor.



Mass Cultural Council - Cultural Facilities Fund - Capital 2019
Newton Cultural Alliance, Inc.
Application #CFF-C-0114

Primary Contact: Ms. Adrienne Hartzell Knudsen
Phone: (617) 332-4300
Email: adriennehk@newtonculture.org

Document Generated: Thursday, November 15th 2018, 12:03 pm

Applicant Profile

Applicant Type	Organization
Legal Name	Newton Cultural Alliance, Inc.
Date of 501(c)3 incorporation	09/20/2010
Address1	PO Box 610225 Newton , Massachusetts 02461 UNITED STATES
Telephone Primary Contact	(617) 332-4300 Ms. Adrienne Hartzell Knudsen Managing Director Phone: (617) 332-4300 Email: adriennehk@newtonculture.org
Applicant Status	Organization - Non-Profit
Applicant Institution	Arts Service Organization
Applicant Discipline	Multidisciplinary
Grantee Race	No single race/ethnic group listed above made up more than 25% of the population directly benefited
FEIN / TAX ID	27-0590276
DUNS Number	000000000
Web Address	http://www.newtonCulture.org



Mass Cultural Council - Cultural Facilities Fund - Capital 2019 #28-19
Newton Cultural Alliance, Inc.
Application #CFF-C-0114

Primary Contact: Ms. Adrienne Hartzell Knudsen
Phone: (617) 332-4300
Email: adriennehk@newtonculture.org

Document Generated: Thursday, November 15th 2018, 12:03 pm

Project Overview

Executive Director Name:
Adrienne Hartzell Knudsen

Title:
Managing Director

Email:
adriennehk@newtonculture.org

Telephone:
857-636-0199

How many years has this Executive Director (or equivalent) been serving?
5

Organization's web address:
newtonculture.org

Organization type:
501c3 Cultural Organization

Name of Subject Facility
Nathaniel Allen House

Street Address of Subject Facility
35 Webster Street

City of Subject Facility
West Newton

State of Subject Facility
MA

Zip of Subject Facility
02465

Date incorporated as a 501(c)3
9/20/2010

If you selected 'Municipality' above, please indicate the square footage of your facility:

And, if you selected 'Municipality' please also indicate the percentage of the building that is dedicated to arts and cultural purposes:

And, if you selected "Municipality", please indicate the age of your building:

Has your organization ever applied to the Cultural Facilities Fund?
Yes



Mass Cultural Council - Cultural Facilities Fund - Capital 2019
Newton Cultural Alliance, Inc.
Application #CFF-C-0114

Primary Contact: Ms. Adrienne Hartzell Knudsen
Phone: (617) 332-4300
Email: adriennehk@newtonculture.org

Document Generated: Thursday, November 15th 2018, 12:03 pm

Has your organization previously received a Cultural Facilities Fund grant?

Yes

If 'yes', has your organization fully drawn down the grant funds?

Yes

Grant request:

\$600,000

Total project cost:

\$7,500,000

Project type:

Renovation/Repair

New Construction/Expansion

Fixed/Integrated Equipment

Indicate the approximate stage your project is in:

In construction/implementation

In a couple of sentences, provide a summary of your project. This language may be edited for use in contracts and to notify the Legislature.

This adaptive re-use project is nearing completion as an arts & cultural center & is in need of additional funding to complete the geo thermal HVAC system, elevator installation and basement buildout to support the new black box theater.

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

Newton Cultural Alliance / Allen House	=	Capital Campaign Strategy
Immediate Campaign Goal	=	\$920,000
 A. Strategy:		
1. Corporate Sources:		\$ 250,000
a. Real Estate Developers	=	\$150,000
b. Newton Corporations that support the Arts	=	\$ 50,000
c. Local Newton businesses	=	\$ 50,000
2. Individuals:	=	\$ 600,000
a. NCA Board (already pledged)	=	\$200,000
b. Significant Contributors	=	\$250,000
c. Moderate Contributors	=	\$100,000
d. Small Contributors	=	\$ 50,000
3. Fundraising Events:	=	\$ 50,000
a. Major Cocktail party	=	\$ 10,000
b. Neighborhood Dinners (5 total @ \$8,000) (NCA member entertainment)	=	\$ 40,000
4. Allen House dedicated brick pavers	=	\$ 20,000

B. Execution: All portions of this campaign will be executed by the NCA's Staff, Capital Campaign Committee and Full Board.

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

**Nathaniel Allen Community Arts and Cultural Center
Capital Campaign**

Naming opportunities - Fall 2018

In the house

Recital Hall - \$150K
Gallery - \$100K
Nathaniel Allen Parlor - \$50K
Allen Ladies' parlor - \$50K
Alcove - \$25K
Library - \$50K
Elevator lobby - \$25K
Kitchen - \$25K
7 - 2nd floor offices - \$10K each

In the barn

Black box theater - \$250K
Historic classroom - \$150K
Art classroom - 2nd floor - \$75K
Green room - basement - \$25K
Entrance lobby - \$50K
Basement gathering space - \$25K

On the property

Rear/Cherry Street terrace - \$50K
Front/Webster Street - \$50K
Garden on Cherry Street side - \$100K

**Newton Community Preservatio Program Grant Proposal
Newton Cultural Alliance - Nathaniel Allen Homestead
November 2018**

Organization Budget 2018 - 2019

INCOME

Contributed Organization support		
Individuals	90,000	
Corporate	35,000	
Foundations	10,000	
Total contributed income	135,000	135,000
Earned Revenue		
AH rent - offices, meetings	40,000	
BSO program ads	5,000	
Membership dues	5,000	
Events	15,000	
Total earned revenue	65,000	65,000
Total income		200,000

EXPENSE

Salaraies and related expense	90,000	90,000
Other personnel expense		
legal, development, accounting	30,000	35,000
Non-personnel expense		
fees & permits	1,000	
supplies	4,000	
marketing	12,000	
internet/phone/electronics	3,000	
postage & mailing	2,000	
fundraising expenses	8,000	
Total non personnel	30,000	30,000
Occupancy expense		
maintenance	35,000	
utilities	7,000	
total occupancy expense	42,000	42,000
Misc expense	3,000	3,000
Total Expense		200,000

This budget is based on organization actual expense in previous fiscal year, together with estimates for expected expense in the current fiscal year.

Newton Cultural Alliance
Balance Sheet

As of November 16, 2018

Nov 16, 18

ASSETS

Current Assets

Checking/Savings

1007 · Petty Cash Drawer	300.00
1000 · Village Bank	
1006 · Capital Camp Village Bank #9607	11,788.00
1001 · Village Checking #7985	31,242.27
1003 · Village Savings #4571	40.60
1005 · separate NACC Checking#0781	49.36
1009 · AHCC Checking#0047	2,121.85

Total 1000 · Village Bank 45,242.08

Total Checking/Savings 45,542.08

Other Current Assets

1320 · Notes/loans receivables 199,890.00

Total Other Current Assets 199,890.00

Total Current Assets 245,432.08

Fixed Assets

1610 · Land - operating	36,500.00
1620 · Buildings - operating	205,930.00
1640 · Furniture, fixtures, & equip	7,990.00
1660 · Construction in progress	2,222,942.16

Total Fixed Assets 2,473,362.16

Other Assets

1800 · Other long-term assets -105,578.57

Total Other Assets -105,578.57

TOTAL ASSETS 2,613,215.67

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2010 · Accounts payable 29,119.44

Total Accounts Payable 29,119.44

Other Current Liabilities

2100 · Payroll Liabilities 614.49

2150 · Accrued expenses - other 13,167.50

2310 · Deferred revenue 5,000.00

2510 · Trustee & employee loan payable

2511 · Loan Payable- Laurel Farnsworth 110,000.00

Total 2510 · Trustee & employee loan payable 110,000.00

2550 · Line of credit payable 750,000.00

Total Other Current Liabilities 878,781.99

Total Current Liabilities 907,901.43

Long Term Liabilities

2770 · Long-term liabilities - other 50,000.00

Total Long Term Liabilities 50,000.00

**Newton Cultural Alliance
Balance Sheet**

#28-19

As of November 16, 2018

	<u>Nov 16, 18</u>
Total Liabilities	957,901.43
Equity	
3010 - Unrestrict (retained earnings)	1,752,592.66
Net Income	-97,278.42
Total Equity	<u>1,655,314.24</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,613,215.67</u></u>

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

Project Team Qualifications

Donald Lang, Architect, DLA Architects

Donald Lang AIA has been involved in the building industry for 40 years with a special concentration in historic renovation of urban properties. After graduating from architectural school in 1970, Donald Lang created a design/build company called Renovate, Inc. providing construction services to local architects and federally funded municipal housing rehabilitation programs in the greater Boston area.

By 1976, Renovate, Inc. employed forty men and partnered with Cambridge real estate developers on scattered site housing projects. As a developer, Donald participated in all aspects of project management including design, construction, financing and marketing of high end residential property. Most of the projects involved 19th century buildings in the Harvard Square and Mid Cambridge neighborhoods.

During the 1990s Donald became more involved in community service and served on the Chestnut Hill historic district commission, the city wide Newton Historical Commission (NHC) and the Massachusetts Architectural Access Board (MAAB). Donald went on to chair both the MAAB and the NHC until 2012. During his years of service, he gained a broad perspective on providing effective accessibility solutions in historic public buildings, working within politically sensitive environments and guiding public policy at the state and local levels. Donald currently chairs the Newton Upper Falls historic district commission where he has served since 2014.

In 2008 and 2018, DLA received Newton Preservation Awards for the restoration of an 1825 cape style residence in Newton Upper Falls and for the restoration of the 1840s Nathaniel Allen Homestead estate [located in West Newton](#). Donald Lang holds three US mechanical patents for portable equipment stands and has published articles of interest to the restaurant industry and educational technology.

Classic Construction, Michael Abraham and Bryan Gannon

Classic Construction and Development Corporation provides a variety of construction services for commercial construction projects - from new construction to complex, multi-phase building renovations. Our teamwork approach is to deliver quality projects on time and within budget. The senior team at Classic Construction has the experience of completing over \$200 million in commercial construction projects specializing in several categories of the building trades. The owners of Classic Construction, Michael Abraham and Bryan Gannon, have complementary skills and share the desire to build and complete their construction projects to the highest standards. They are an integral part of every project from building design and engineering to contract completion. The company has worked on a variety of historic adaptive reuse projects including in Newton where they have worked on historic rehabilitation at the Jackson Homestead and Phase II at the Nathaniel Allen House.

George Hu, Engineer, AWE

Air Water Energy Engineers, Inc., founded in 2007, is a sustainability-oriented engineering firm located in the metro Boston area of Massachusetts. AWE provides engineering services in mechanical, electrical, plumbing and fire protection systems (MEP/FP) for various types of building projects, and has significant expertise in engineering sustainable building systems for architecturally and environmentally challenging projects.

Founder George Hu has a proven track record of engineering high performance mechanical systems such as geothermal heating and cooling that produces significant energy and water savings for the building owners.

Dan Kolodner, attorney, Klein Hornig, specialist in Historic Tax Credits

Dan Kolodner, a Partner at Klein Hornig, focuses his practice on community development projects utilizing tax credit financing. He specializes in complex deal structuring, combining tax incentives – such as New Markets Tax Credits, Historic Tax Credits, Low-Income Housing Tax Credits, and Renewable Energy Tax Credits – with state tax credits and other financing sources in a variety of community development transactions. He regularly represents both for-profit and nonprofit developers, qualified active low-income community businesses (QALICBs), and community development entities (CDEs), as well as institutional tax credit investors. Dan regularly shares his expertise at conferences on both the national and local level, speaking on the topics of Historic Tax Credits, New Markets Tax Credits, and other Federal and state tax incentives.

NCA Team

Adrienne Hartzell Knudsen, NCA Managing Director. Arts manager, cellist and attorney, Adrienne's diverse background has served to help the NCA bring the organization's mission interest in developing collaborative facilities for community arts organizations and the local community to reality.

Laurel Farnsworth, President of NCA Board. Laurel has worked tirelessly for a quarter century as buildings manager for FUUSN (First Unitarian). Trained as a property manager, Laurel combines her passion for history and historic structures working to develop the Allen House.

Treff LaFleche, Architect, LDa Architecture and Interiors. As co-founder of Cambridge based LDa, Treff, a West Newton resident, has achieved local and national recognition for his expertise in the merging of historic and contemporary aspects of New England residential and institutional architecture.

Stuart Rothman, Real Estate Developer. A Needham resident with a passion for the arts, Stu Rothman, President of First Cambridge Realty Corp brings more than 25 years of experience and development insight to the NCA team

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

November 2018

November 18, 2018

Nathaniel Allen House
35 Webster Street
West Newton MA 02465

Summary of 2018 Changes to 2016 Plans

Building Exterior

The wooden arbor in front of the barn facing Webster Street will be restored to its original design.

House Interior

Program 9 removed to create legal headroom in Main Lobby.

Barn Interior

Barn floor lowered to be level for full Black Box Theatre space.

Green room in basement supplements the Black Box Theatre with separate entrance.

Mechanical loft created above Program 14 now designed as Lighting Production room for Theatre.

On the Newton CPC website, larger-scale plans keyed to this summary and highlighting changes since 2016 are posted in a separate file.

**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
February 2016
and
November 2018**

Materials and Finishes

Energy Conservation and Sustainability

The existing historic window and door units have been restored and tightened with some of the funds provided by the CPC in 2014 to improve their energy performance. One hundred per cent (100%) post-consumer recycled cellulose insulation will be blown into all of the exterior walls and poured over the attic ceilings. The existing oil fired heating system will be replaced with a new geothermal system (see introduction document with the plans) for energy efficient heating, ventilating and air conditioning. Complete new energy efficient lighting using both LED and CF technologies will be installed throughout the project.

Environmental Mitigation

There is no visual evidence and the property has historically never been used for any industrial purposes so there is no reason to suspect the presence of underground contamination. There is now one new heating oil tank in the basement and the four older ones have been removed. There is no indication of the presence of any underground storage tanks on the property.

There is no visible evidence of material likely to contain asbestos anywhere in the building. All floor tiles have been tested and found to be void of asbestos. The current heating system for the third floor is relatively recent. The existing heating equipment was installed long after asbestos was used to insulate steam pipes and boilers.

It is that there is lead paint to be found on the building. All state lead paint laws will be followed during the preparation and painting of the building exterior and interior. Comprehensive de-leading of the entire building interior which would require extensive removal of historic fabric including the windows is not contemplated. The barn interior areas is planned will be de-leaded since there is very little original woodwork remaining and the existing wood windows have failed and will be replaced.

**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
November 2018**

Cost Estimate - Phase III

Construction Expense

Phase III	General requirements	336,000
	Existing conditions	140,793
	Concrete	101,191
	Masonry	101,115
	Metals	28,806
	Wood, plastics, composites	527,563
	Thermal & moisture protection	118,531
	Openings	267,202
	Finishes	233,964
	Specialties	9,913
	Furnishings	3,932
	Fire suppression	101,115
	Plumbing	24,000
	HVAC	149,000
	Electrical	162,000
	Earthwork	201,571
	Exterior Improvements	80,628
	Sub total	2,587,324

Deferred Construction

Expense	Geothermal system - net	700,000
	Basement & 3rd floor finish	184,335
	Elevator installation - equipment	147,000
	Sub total	1,031,335

Soft Costs

	Architectural & Engineering	400,000
	Contingency	300,000
	Construction Interest	100,000
	Sub total	800,000

Phase III TOTAL	4,418,659
------------------------	------------------



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Office of the Mayor

#630-18 #630-18

Telephone
(617) 796-1100
Fax
(617) 796-1113
TDD/TTY
(617) 796-1089
Email
rfuller@newtonma.gov

November 30, 2018

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Anne Killilea of 789 Watertown Street, Newton as a member of the Commission on Disability. Her term of office shall expire on December 31, 2021 and her appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller

Ruthanne Fuller
Mayor

RECEIVED
Newton City Clerk
2018 DEC - 7 AM 10:59
DAVID A. OLSON, CND
Newton, MA 02459

Anne Marie Killilea, MSN, RN, EdDc

789 Watertown Street
West Newton, MA, 02465-2107
(H) 617-964-0955 (C) 617-388-1897 (text only)
E-mail: amkillilea@gmail.com

Summary of Qualifications:

- Accurately assessing, planning, and implementing the educational plans for each student with disabilities in every facet of their education.
- Evaluating the processes of each plan to assure the outcome meets the goal of the student and the college.
- Working cooperatively by being interconnected with various professors, instructors and professional staff at the college.
- Setting achievable and comprehensive goals for the student and college by implementing accommodations and educational plans which will promote positive student learning outcomes.

Education:

- William H. Hall High School, West Hartford, Connecticut
1970 to 1973, recipient of the West Hartford Lions Club Nursing Scholarship. Graduated with high school degree.
- Saint Anselm College, Manchester, New Hampshire
1973 to 1977, Graduated with BSN degree.
- Regis College, Weston, Massachusetts
1992 to 1994, Member of the First graduating class of the Master's in Nursing program: Emphasis on Nursing Administration.
Thesis: "Needs Assessment of Pediatric Hospice Care in the Community Setting". Graduated with a Master's of Science degree in Nursing.
2002-2004: First class to graduate with a Post-Master's Certificate in Nursing education.
- Capella University, Minneapolis, Minnesota; On-line Education
2015 to present
Accepted in the Fall of 2015 to the Doctorate degree in Education with an emphasis on Leadership and Management.
Selected to the President's List for academic excellence in February and July of 2017.
Projected Capstone Project (2018): Improving the Lives of Late-Deafened People.

Professional Experience:

Professor in Nursing Education, **Bunker Hill Community College**, Charlestown, MA.

September 2005 to present.

- Teach instructional classes for the Evening Associate Degree Nursing students maternity and pediatrics.
- Developed Nursing Seminar course which provides the basic nursing understanding and support that becomes the connection between the AD-RN program and BS program.
- Provide counseling sessions for a diverse population of students in need.
- Past Course Coordinator for the Weekend Nursing 3rd Semester students.
- Provide resources to Office of Disability services.
- Worked as a “bridge” between the disability Department and Nursing to help students with disabilities to be successful in their Nursing education.
- Worked to create positive environment promoting optimal learning for all nursing students with and without disabilities.

Adjunct Professor in Nursing, MassBay Community College, Framingham, MA
July 2005 to 2010.

- Taught the didactic and clinical Maternity to the Part-time Evening Option AD nursing students.

Adjunct Professor in Nursing, Northeastern University, Boston, MA
July 2007 to December 2008.

- Taught clinical pediatrics to the “middler” year BS nursing students.

Associate Professor in Practical Nursing, MassBay Community College, Framingham, MA
January 2005 to August 2005.

- Taught instructional classes and clinical for the Day and Evening Practical Nursing students.

Adjunct Nursing Instructor, Regis College, Weston, MA
September 2003 to 2005

- Designed, implemented, and evaluated the Pediatric classroom course for the Summer Session II for the Generic Masters Nursing students.
- Taught the didactic portion of Health Assessment for the Generic Masters Nursing students.

Nursing Instructor, Lawrence Memorial / Regis College ASN Collaborative Program, Medford, MA
September 2003 to December 2004

- Taught Pediatric classes and clinical for the Evening Family Nursing Option, Associate Degree Nursing students.

School Nurse, **The Learning Center for Deaf Children**, Randolph, MA
September 2002 to 2003

- As a school nurse, provided pediatric nursing care to 45 severe Special Needs/ Disabled children who were born deaf or had hearing loss as a co-morbidity.

School Nurse, **Underwood Elementary School**, Newtonville, MA
August 2000 to 2002

- As a school nurse, directed the integral nursing care for over 250 children and more than 30 adults in the school.

Staff Nurse, **Caritas Saint Elizabeth's Medical Center**, Boston, MA
July 2000 to January 2003

- As a staff registered nurse, provided excellent Nursing care to extremely low-birth weight infants in the NICU.

Senior Staff Nurse, **Brigham and Women's Hospital**, Boston, MA
1981 to 2000

- As a staff registered nurse, triaged, admitted, and provided primary care to Neonatal Infants from 24 weeks gestation to 40+ weeks gestation.

Staff Nurse, **Boston Lying-In**, Boston, MA
1979 to 1981

- Collaboratively worked with staff nurses and ancillary assistants in the High Risk Labor and Delivery Unit.
- Successfully lead and managed a separate Obstetrical Unit.
- Taught new transport technicians the proper techniques to achieve the proficiency level of Scrub Technicians.

Staff Nurse, **Waltham Hospital**, Waltham, MA
1977 to 1979

- As a graduate to registered nurse, complied with the needs of the hospital and rotated through the psychiatric, pediatric, and maternity units.

Presentations:

- "Breaking the Silence: The school aged child with epilepsy"
Brown Elementary School, Natick, MA, 1995

- “Munchausen by Proxy: Issues for the pediatric student nurse”
MassBay Community College, MA, 1996
- “Nursing Ethics: Nurses on strike”
MassBay Community College, MA 1997
- “Children and Various Chemical Abuses”
College of the Lady of the Elms, Chicopee, MA, 1997
- “Understanding our Differences: Children with epilepsy and asthma”
Underwood Elementary School, Newtonville, MA, 1999
- “The Adult with Hearing Loss”
St. Bernard’s Church, West Newton, MA, 2003
- “The Adult with a Cochlear Implant”
Newton South High School, Newton, MA, Fall 2004
- “The Nurse with a Cochlear Implant teaching Nursing”
Emerson College, Boston, MA, Winter 2005
- “The Nurse with a Cochlear Implant teaching Nursing, Implications for
Other Professionals”
New England Medical Center, Boston, MA, June 2005
- “The Late-Deafened Nurse: Overcoming difficulties in the nursing
profession”
Boston University, November 20, 2006; January 30, 2007, April 19,
2007
- “Deaf Awareness Day”, Newton North High School, Newton, Mass.
February 7, 2008
- “Offering choices. Helping Deaf and Hard-of-Hearing Patients Decide.”
Tuft’s Medical Center, Boston, Mass., May 6, 2008
- “Improving communication with Deaf and HOH students”
Bunker Hill Community College, Charlestown, Mass. April 6,
2009
- “Addressing the needs of the severely deafened Adult”
Presented by the Cochlear Company, Newton/Boston Marriot
Hotel. September 3, 2009.
- “Deaf Awareness Day”, F.A. Day Middle School, Newton, Mass., October
22, 2009.

- “Hearing Loss and the Nursing Student” presented to the Allied Health Faculty of Bunker Hill Community College, Charlestown, Mass. on November 23, 2009.
- “Talk to my face, not to my feet: A guide for Nurses to provide culturally competent care to deaf and HOH patients”.
Presented to:
 1. Faculty and colleagues at Regis College, Weston, Mass., on April 24, 2010.
 2. Hospital personnel at Tufts Medical Center, Boston, Mass, on June 14, 2010.
- “Talk to my face, not to my feet!” A guide to teach deaf and HOH clients how to maneuver through the health care system.
HLAA (Hearing Loss Association of America) Convention in Washington, D.C., June 2011.
- “The Long Road Back: Recovering from Ototoxicity” presented to audiologists from around the world at the IHS (International Hearing Society) Convention & Expo
September 15-17, 2011
Seaport Hotel and Seaport World Trade Center
Boston, Massachusetts
- “Hearing Health Seminar: Becoming deaf is a new beginning!”
November 12, 2011
Portland, Maine
- “Talk to my face, not to my feet! Providing culturally competent care to our deaf and HOH patients.” Presented to entire hospital staff.
December 7, 2011
South Shore Hospital
South Weymouth, MA
- “Talk to my face, not to my feet! Providing culturally competent care to our deaf and HOH patients”
Presented to DNP nursing students at Regis College
February 18, 2012
- “Making lemonade out of lemons: Adjusting and coping with hearing loss”
ALDA/Boston/MA
Lexington, MA
February 25, 2012
- “Talk to my face not to my feet” teaching the deaf and HOH how to communicate to healthcare workers.

Manhattan, NY, April 17, 2012

- “Talk to my face not to my feet” teaching healthcare workers how to communicate to deaf and HOH patients.
Signature Health/Brockton Hospital
Brockton, MA
June 22, 2012
- “Leave no Deaf or HOH student behind! Adapting a Nursing program to accommodate a Deaf or HOH student.”
AHEAD/PEPNet Convention
New Orleans, Louisiana
July 11, 2012

Activities:

- Involved with the Regis/Emmanuel Honor Society for Nurses.
- Involved with the Massachusetts Commission of the Deaf and Hard of Hearing (MCDHH).
- Past Secretary of the Boston- “Association of Late Deafened Adults”, Boston-ALDA Chapter.
- Participant in the Minuteman Cochlear Implant Association.
- Beginner in American Sign Language.
- Past participant of the Boston Guild for the Hard of Hearing, now part of Northeastern University’s Speech and Audiology Studies.
- Involved in HLAA.
- Currently, write a column called “Ask a Nurse...” for the quarterly ALDA National Newsletter.

Community Service:

- Provide teaching modules to hospital staff that focus on the needs of the Late-Deafened patient.
- Speaking to groups of HOH and Hearing adults about the benefits of improving communication through innovative technology around the country.

References:

1. Ms. Kathryn Williams, Disability counselor, BHCC, klwillia@bhcc.mass.edu
2. Ms. Kathleen O’Neill, Single Stop Director at BHCC, kboneill@bhcc.mass.edu
3. Ms. Andrea Schwartz, Director of Disability Services at BHCC:
aschwartz@bhcc.mass.edu



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

#220-18
Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

MEMORANDUM

DATE: January 11, 2019

TO: Councilor Susan Albright, Chair
Members of the Zoning and Planning Committee

FROM: Barney Heath, Director of Planning & Development
James Freas, Deputy Director of Planning & Development
Lily Canan Reynolds, Community Engagement Manager

SUBJECT: #220-18 Newtonville and Crafts St. Sub-Areas of Washington Street Vision Plan

MEETING DATE: January 14, 2019

CC: Planning & Development Board
City Council
Urban Design Commission

On January 14, 2019 staff will present to the Committee a detailed review of the Newtonville and Crafts Street sub-areas from the *Draft One* Washington Street Vision Plan. On November 26, 2018 staff presented to the Committee on the West Newton sub-area of the plan.

Newtonville is a village center with retail zones along Washington Street and Walnut Street, which intersects Washington Street running north-south. The village core spans both the north and south sides of the Massachusetts Turnpike with the Walnut Street bridge over the highway linking the two sides for people walking, cycling or driving. The eastern sidewalk of the bridge includes a staircase to the platform for the Newtonville MBTA Commuter Rail station. Just south of the commercial core on Walnut Street lies the Newton Senior Center and Newton North High School. The street and sidewalks in the core of the village will be refurbished by the City in 2019/2020 including significantly wider sidewalks, new bicycle facilities, street trees, street lights and furniture.

Heading east on Washington Street from Newtonville, commercial buildings with retail and general office uses continue to the intersection with Harvard Street and further to the east where Washington Street intersects with **Crafts Street**. At Harvard Street a second stairway is accessible to the Newtonville MBTA Commuter Rail station. Between Harvard and Crafts Streets, the Washington Street roadway curves slightly north creating a strip of commercial buildings wedged between Washington Street and the Commuter Rail/Massachusetts Turnpike. The commercial uses transition at Crafts Street and to the east lie residential buildings.

Preserve, Enhance, and Enable: Differentiating Varying Sectors in Newtonville and Crafts Street

The *Draft One* Washington Street Vision Plan highlights three sector types “preserve the scale of the neighborhoods”, “enhance the quality of the villages”, and “enable new value at the edges”, which were assigned to different geographic areas through analysis of existing conditions, planning best practices, and community input (page 9). These sectors indicate the nuanced approach used for zoning recommendations, which recognizes Washington Street has a range of different neighborhoods, building forms, and land uses. On both the northern and southern sides of **Newtonville**, the areas that are currently commercial land uses, the plan recommends a land use and zoning approach to “**enhance the quality of the villages**”. Like the core of West Newton square, the core of Newtonville contains a mix of historically significant buildings, such as the Masonic Hall at the corner of Newtonville Avenue and Walnut Street, as well as less grand single-story retail shops. The draft plan recommends a zoning and planning approach for this area that “preserves the integrity and quality of the village centers through careful investment” and recommends that future growth should largely reflect the current scale of the villages. At the edges of the commercial core of Newtonville the land uses and building types gradually change to a predominantly residential zone; the transition areas include buildings that are used for compatible commercial uses such as a dentist office. These areas at the edges of Newtonville village are identified in the draft plan as places to “**preserve the scale of the neighborhoods**” indicating recommended zoning for this area should reflect building types and uses that transition between commercial and residential zones. The different zoning approaches will be further refined in the second draft of plan and draft zoning for Washington Street.

This same approach, “preserving the scale of the neighborhoods” is also recommended for predominantly residential areas, such as Court Street, which lie between Newtonville village center and Crafts Street. The plan recommends the Crafts Street area as a place to “**enable new value at the edges**” with more significant transformation as new buildings and land uses are introduced over time. A consistent theme of both community input and planning analysis is that many of the single-story commercial buildings and large surface parking lots near Crafts Street could be greatly improved and contribute better to the fabric of the neighborhoods. Because of its proximity to the Harvard Street entrance to the Newtonville MBTA Commuter Rail Station (approximately 970 feet), a more transformative zoning approach could provide “substantial opportunities for new jobs associated with office or bio-tech users, increased transit options, boosting the local tax base, and creating new public parks and plazas” (page 9). It is important to note the plan identifies this approach should take place over a long-term timeline of 10, 25, or more years into the future.

Newtonville & Crafts Street Development Scenarios

As was mentioned in the Planning Memo proceeding the West Newton presentation on November 26, 2018, **a consistent theme in the draft Washington Street Vision Plan is the close relationship between the shape of buildings and the amount of parking for cars as a component of the building, either aboveground or underground.** This theme holds true for the Newtonville and Crafts Street sub-areas and, like the West Newton sub-areas, the plan describes three building scenario categories “market-driven”, “courtyard”, or “incremental” to illustrate these approaches. Key features of these building scenarios are explained in more detail on pages 16 – 21. Whether the building has one large aboveground parking garage component, one large belowground parking garage component, or few smaller belowground parking garages, defines whether the resulting building is categorized as “market-driven”, “courtyard”, or “incremental”. As a general rule, the greater number of parking spaces required will mean larger buildings that are more expensive to build. Parking built underground is generally more expensive than parking built aboveground, so a way to compensate for requiring underground parking is

to reduce the total number of parking spaces required. These options are illustrated for two sites in Newtonville and one on Crafts Street. #220-18

The “**Newtonville: McGovern Site**” (pages 40 – 47) is on Washington Street just east of the intersection with Walnut Street and is currently the home to the McGovern car dealership. It is identified as part of the “enhancing the quality of the villages” sector. For this site, the plan illustrates three potential outcomes of future development “market-driven scenario”, “courtyard scenario”, and “incremental scenario”. Key questions for the McGovern site include:

- Should the McGovern site be considered part of the Newtonville village center with lower heights and a smaller increment, or should it be considered an edge of the Turnpike and allowed to have higher 4- to 6-story buildings? Or both?
- Do you think the plans adequately step down to the residential neighborhoods?

The second Newtonville development scenario, “**Newtonville Square**” (pages 66 – 71), is located where the Walnut Street bridge spans the highway between Washington Street and Newtonville Avenue. As the draft plan states, “the center of Newtonville, along Walnut Street between Newtonville Avenue and Washington Street, was historically referred to as Newtonville Square” which was later transformed into a wide swath of highway when the Turnpike was constructed. Historically street-level rail passed through a central public square at this location, but subsequently heavy rail and the Massachusetts Turnpike highway were constructed below street grade and the village lacked a central public open space. The development scenarios studied for this area explore how new buildings (page 68) and eventually a public green (page 70) could be constructed to strengthen the connection between the northern and southern parts of Newtonville village. Key questions for the Newtonville Square site include:

- Do you like the idea of having larger-scale development near the highway to help pay for the park that decks over the highway? (Estimated between \$46.55 million and \$47.9 million)
- How important is it to connect Walnut Street on the north and south sides of the highway? Does the plan do a good job of accomplishing this with the new buildings lining the bridge?
- Are you ok with more development in other places in order to make these improvements to Walnut Street possible?

The “**Crafts Street**” development scenario includes three potential future building scenarios are illustrated as “market-driven scenario”, “courtyard scenario”, and “incremental scenario” (pages 48 – 55). A height study shows illustrations for potential buildings at this location (pages 56 – 57). Key questions for the Crafts Street site include:

- Are you comfortable with more height where shown, as a way to generate additional tax revenue that can help pay for larger community benefits such as the large park shown on Crafts Street or some of the improvements to the train stations?
- Do you think this is an appropriate location for mixed-use development (retail on ground floor with residential on upper floors)?
- As a way to protect the neighborhood from the highway, how would you feel about six-story buildings against the highway at this location?

All the development scenarios and key questions listed for the Newtonville and Crafts Street sub-areas will be discussed with the Committee at the January 14, 2019 meeting. In addition, staff will ask the Committee about the location of the designations of the “preserve”, “enhance”, and “enable” sectors (page 8 – 9) for Newtonville and Crafts Street.

On December 10, 2018 the Committee of the Whole of City Council received a presentation by Planning Department staff and Mr. Russell Preston of the Principle Group regarding the Washington Street Vision Plan and a **Draft Height Map** for the study area. Comments received from Councilors during that presentation were summarized in the [Planning Memo dated December 14, 2018](#). The height map shows maximum heights being considered for zoning recommendations for Washington Street:

- 3 stories (residential)
- 3 stories (predominantly residential)
- 3 stories + 1 story bonus for preservation of historic resources (mixed-use)
- 4 stories (mixed-use)
- 5 stories (mixed-use)
- 6 stories (mixed-use)
- 12 stories (mixed-use)

The heights proposed for each parcel are a further level of refinement of the sector map in the first draft vision plan (pages 8 – 9). In Newtonville, which is designated “enhance the quality of the villages” on the first draft sector map, the proposed heights range from 3 stories (residential) to 5 stories (mixed-use). The Crafts Street area, which is designated “enable new value at the edges” shows proposed heights ranging from 3 stories (residential) to 12 stories (mixed-use) although the highest area is only recommended in one location.

The map also includes a prioritized list of **community benefits and infrastructure investments for Newton**, which are recommended to be implemented with investment from private development and public sources.

1. Commuter rail accessibility to both tracks, allowing for more frequent train service.
2. New neighborhood parks and courtyards in underserved areas with a variety of recreational opportunities.
3. Development of diverse housing options, including elevator accessible and affordable housing.
4. Central parking garages to relieve pressure and provide village-wide shared parking facilities.
5. Reconfigured Mass Pike interchange at West Newton with new westbound on-ramp and improved intersections between city roads and highway ramps.
6. Improved connections over the Mass Pike, including a new park over the Pike at the center of Newtonville.
7. Complete Streets investments in Washington Street to better serve all travel modes and add tree canopy.

As noted on the map, the proposed heights and community benefits assumes that financing tools are set in motion to ensure that a portion of the costs for the major community benefit infrastructure described above is borne by private development. Staff will explore further comments or questions from the Committee about the height map and prioritized community benefits and infrastructure investments for Newton.

Later this month staff will present to the Committee on the draft one Zoning Toolkit and other tools that could help implement the vision plan on Monday, January 28, 2019. These ongoing discussions will help inform the upcoming draft two of the Washington Street Vision Plan and Zoning, which will be the subject of the February 11, 2019 Committee meeting.

*Please bring your printed copy of the first draft Vision Plan and Zoning Toolkit to the meeting for reference. Staff will provide extra copies of the height map for the discussion.



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

#408-18
Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

MEMORANDUM

DATE: January 11, 2019

TO: Councilor Albright, Chair
Members of the Zoning and Planning Committee

FROM: Barney S. Heath, Director of Planning and Development
Kathryn Ellis, Economic Development Director

RE: **#408-18, Economic Development Strategy Plan Adoption**

MEETING DATE: January 14, 2019

CC: Jonathan Yeo, Chief Operating Officer
Economic Development Commission
Planning and Development Board

Enclosed please find a series of minor edits to the previously submitted Newton Economic Development Action Plan. We believe that the inclusion of these edits address the concerns raised by the members of the City Council and Planning & Development Board.

Attachments

Economic Development Action Plan, Redlined Pages
P&D Board Memo to City Council
Economic Development Action Plan, January 2019 (electronic memo only)

Opportunities and Challenges Assessment

The findings of the interviews, data analysis, capacity assessment, and knowledge of the region were compiled into a list of the City of Newton's opportunities and challenges related to economic development and quality of life. This assessment is used to inform the goals, and actions identified in the Action Plan Matrix. The full list of opportunities and challenges are outlined below.

Newton's Opportunities

- Excellent location and proximity within Boston Metro
- Highly educated workforce
- Well established villages
- Well-known reputation as a great place to live
- High-quality schools
- Undergoing zoning redesign
- High incomes and consumer spending power
- Numerous new development projects in progress
- Strong demand for lab space in the region
- Boston College Schiller Institute and UMass Amherst developments
- Three commuter rail and seven MBTA Green Line stops
- Access to the Charles River
- Lower commercial property tax rate than Boston and neighboring communities

Newton's Challenges

- Limited space/sites for development
- Inadequate transportation infrastructure, traffic congestion, and parking challenges
- Limited diversity of housing options
- Negative perception related to predictability and ease of development
- Limited resources for economic development
- ~~Zoning regulations restricting development~~
- ~~Outdated zoning ordinance~~
- Tension within community around the vision for the future of Newton
- Heavy reliance on residential values for tax base
- Difficulty attracting and retaining entrepreneurial and innovative businesses

- Planning and Development Process and Role of the City of Newton:** ~~The City's current planning and development review process has resulted in significant delays and increased costs for developers looking to do projects in Newton compared to other Massachusetts cities and towns. Unfortunately, Newton is well-known for being particularly difficult for developers. Some challenges include extensive community pushback, city process delays and unpredictability, and lengthy review and discussion periods. There are a number of large-scale proposals on the table that would have positive effects on the city; however, the current process makes it difficult for a developer to have any success moving forward.~~ A crucial recommendation outlined in the Action Plan Matrix is to update the development review process and land use policies to ensure that they align with Newton's goals and are streamlined and predictable.

- Neighborhoods, Corridors, and Transportation:** Within the City of Newton, there are 13 unique villages ranging from small neighborhood-serving ones like Waban to major commercial hubs like Newton Centre. These villages, along with the commercial corridors of the City including Needham Street, Washington Street, and Route 9, all have varying degrees of development and community engagement. The economic development strategy must address the varying needs of the villages and corridors within the city to ensure all are able to attract and retain suitable development that supports small businesses, diversity in population and real estate product, and aligns with the community's vision for quality of life here.

The issue of transportation related to economic development was discussed in numerous interviews, public engagement sessions, and within previous research. Transportation issues of congestion, insufficient public transportation options, lack of parking in some areas, and areas of unsafe bike and pedestrian infrastructure came up as a barrier to workforce and customer attraction and ultimately a barrier to business attraction. When businesses struggle to attract and retain their employees because of transportation cost and time, they will look to locate elsewhere, in particular, where employees can travel by bike, public transportation, or walk. Talent attraction is one of the most important factors businesses consider when they are making location decisions. Newton struggles to compete with other nearby localities who have

City of Newton Zoning Code

The City of Newton is undergoing a significant update of the zoning code and related land use regulations. This zoning re-write will address some of the major issues related to economic development, including bringing parcels into conformity with their current use to minimize appeals and amendments, reviewing parking requirements, and ensuring the types of uses that are desired are allowed in the villages and corridors.

Review of the zoning regulations and associated policies will also include considering ways to make the overall process more predictable and faster; this review aligns with the City's goal of growing the commercial tax base.

Housing Diversity

Although not always seen as a typical economic development concern, having a diversity of housing options in Newton is vital to having a range of both employees and commercial sectors. Allowing increased variety of housing in targeted locations, different types of housing options, and different price points ensures that Newton can be home to a range of people and that the businesses are able to get the workers they need, all of which impacts economic development.

Goal 4 Make the development process more predictable and efficient including community consensus and refinement of the review process.

Objective #4.A. - Create positive, community-based conversations around the future of Newton

- i. Engage villages residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future.
- ii. Find ways to engage the residents of Newton in regular positive, open discussions around the core issues facing Newton including diversity, affordability, residential growth, inclusion, local initiatives and funding for projects. Make these conversations ongoing through multiple channels and use the information gathered to guide economic development in the direction desired by the community.

Objective #4.B. - Improve the development review process

- ~~i. Create two tracks for zoning review (smaller vs larger commercial projects) to allow for a more efficient process.~~
- ii. Improve the existing one stop shop within Newton to assist with larger projects and act as a liaison through the review process.
- iii. Improve and possibly streamline procedures for engaging the community around large projects that are being proposed. Engage developers early in community discussions to identify issues and have fewer delays.
- iiii. Implement a customer service survey for applicants to identify areas for improvement. Implement recommended changes as appropriate.

Objective #4.C. - Review **all** land use regulations and development policies

- i. Complete the zoning redesign project ~~to~~and ensure regulations are predictable and align with stated goals of the community around economic development, livability, diversity, density, and inclusion. Create guidelines ~~for when and where to increase height and square footage allowed in commercial areas to~~ growth-grow the commercial tax base and ~~have enhance~~ vibrancy. Focus on



core commercial areas and village centers, particularly those areas with multi-modal transportation options and existing infrastructure.

- ii. Focus zoning redesign ~~on reducing the need for special use permits to make on making~~ development more predictable and easier in places where it is appropriate.
- iii. ~~Reduce or eliminate Review necessity for~~ parking ~~requirements~~ for ground floor uses in village centers.
- iv. Provide the public and decision makers better information about the fiscal impact of land use decisions. ~~Prepare an impact analysis guide that outlines the cost of different types of development on Newton including types of residential, commercial, retail, open space, etc. Use this as a tool to guide policy, decision making, and public education.~~

Objective #4.D. - Improve development review process to create more walkable developments in areas close to Newton's transit assets

- i. Use zoning update process to clarify regulations for more walkable villages and commercial corridors and to consider parking requirements in context.
- ii. Require analysis of transportation options as part of development analysis to understand impacts.
- iii. Streamline design review process to make it predictable and efficient for applicants.
- iv. Create a transportation fund, where developers can pay for site context improvements or for specific elements to be implemented in the capital improvement program.

Goal 5 Maintain and enhance the special qualities of Newton while improving transportation throughout Newton for residents, businesses, and visitors.

Objective #5.A. - Promote multimodal transportation safety and comfort in villages and neighborhoods

- i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers.



Goal 4: Make the development process more predictable and efficient including community consensus and refinement of the review process.

Rationale: Enhancing the efficiency of the development process, while at the same time respecting the wishes of the community, will create a more positive business environment and attract additional development to Newton.

Objective	Actions	Lead and Partners	Priority and Timeframe	Resources	Measures for Progress and Success
4.A. Create positive, community-based conversations around the future of Newton	<ul style="list-style-type: none"> i. Engage village residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future. ii. Find ways to engage the residents of Newton in regular positive, open discussions around the core issues facing Newton including diversity, affordability, residential growth, inclusion, local initiatives and funding for projects. Make these conversations ongoing through multiple channels and use the information gathered to guide economic development in the direction desired by the community. 	City of Newton, EDC, Neighborhood Area Councils	High, Immediate and ongoing	Moderate Staff Time	Number of events and sessions held
4.B. Improve the development review process	<ul style="list-style-type: none"> i. Create two tracks for zoning review (smaller vs larger commercial projects) to allow for a more efficient process. ii. Improve the existing one stop shop within Newton to assist with larger projects and act as a liaison through the review process. iii. Improve and possibly streamline procedures for engaging the community around large projects that are being proposed. Engage developers early in community discussions to identify issues and have fewer delays. iv. Implement a customer service survey for applicants to identify areas for improvement. Implement recommended changes as appropriate. 	City of Newton, EDC	High, Immediate and ongoing	Moderate Staff Time and Salary	Development review process time,
4.C. Review all land use regulations and development policies	<ul style="list-style-type: none"> i. Complete the zoning redesign project and ensure regulations are predictable and align with stated goals of the community around economic development, livability, diversity, density, and inclusion. Create guidelines for when and where to increase height and square footage allowed in commercial areas to growth the commercial tax base and have vibrancy. Focus on core commercial areas and village centers, particularly those areas with multi-modal transportation options and existing infrastructure. ii. Focus zoning redesign on reducing the need for special use permits to make development more predictable and easier in places where it is appropriate. iii. Reduce or eliminate parking requirements for ground floor uses in village centers. iv. Provide the public and decision makers better information about the fiscal impact of land use decisions. Prepare an impact analysis guide that outlines the cost of different types of development on Newton including types of residential, commercial, retail, open space, etc. Use this as a tool to guide policy, decision making, and public education. 	City of Newton	High, Immediate	Moderate Staff Time	Complete the re-zoning project
4.D. Improve development review process to create more walkable developments in areas close to Newton's transit assets	<ul style="list-style-type: none"> i. Use zoning update process to clarify regulations for more walkable villages and commercial corridors and to consider parking requirements in context. ii. Require analysis of transportation options as part of development analysis to understand impacts. iii. Streamline design review process to make it predictable and efficient for applicants. iv. Create a transportation fund, where developers can pay for site context improvements or for specific elements to be implemented in the capital improvement program. 	City of Newton	Medium, Short Term - Change to High, Immediate	Moderate Staff Time	Zoning update

Goal 5: Maintain and enhance the special qualities of Newton while improving transportation throughout Newton for residents, businesses, and visitors.

Rationale: Quality of place is an important factor for economic development and specifically business and talent attraction. The City of Newton offers residents and businesses a high quality of place. In order to maintain and enhance this quality of place, there are some improvements that can be made in village centers and throughout Newton.

Objective	Actions	Lead and Partners	Priority and Timeframe	Resources	Measures for Progress and Success
5.A. Promote multimodal transportation safety and comfort in villages and neighborhoods	<ul style="list-style-type: none"> i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers. ii. Expand placemaking and beautification measures at street level to promote walkability. iii. Implement slow traffic zones where needed. iv. Invest in transit and cycling networks and services to serve younger workforces that want alternatives to commuting by car. Specifically, focus on linking gaps between mass transit services and bike paths and employment centers. 	City of Newton	High, Short Term and ongoing	Capital Investment	Number of improvements made
5.B. Use shared parking to reduce parking footprint in village centers	<ul style="list-style-type: none"> i. Update zoning policy to enable shared parking exceptions. ii. Assist willing property owners in drawing up and implementing joint agreements that would allow for shared parking opportunities. iii. Establish and adopt a parking availability goal (could be village-wide or sub areas) iv. Regularly evaluate supply and demand of public and private parking use to evaluate needs and compliance with goal. v. Use supply and utilization data to examine the right amount of parking as part of future developments. vi. Use parking technology to encourage motorists to park in the most appropriate places. 	City of Newton	High, Short Term and ongoing	Minimal Staff Time	Number of shared parking agreements
5.C. Comprehensively evaluate private shuttle routes that operate to create a more inclusive and comprehensive community transit system	<ul style="list-style-type: none"> i. Partner with operators to develop a mutually-beneficial system between private and institutional shuttles while also filling needed gaps in service. ii. Partner with adjacent municipalities to create sub-regional service. iii. Promote and incentivize ridership. 	City of Newton, Operators	Medium, Mid-Term - Change to High, Short Term	Minimal Staff Time	Number of partnerships established, Number of riders
5.D. Focus on maintaining the character and unique feeling of the villages while supporting economic vibrancy	<ul style="list-style-type: none"> i. City of Newton representatives should continue to regularly visit businesses and attend neighborhood meetings to identify concerns and challenges to the business environment and how small businesses can be supported. Work with residents to identify any issues or concerns that impact their quality of life and their ability to interact at the neighborhood level. ii. Invest in public infrastructure, streetscape improvements, street furniture, parks, and green space to create opportunities for increased interactions among neighbors and walkability. iii. Work cooperatively with businesses and residents to create small scale community gathering places (playgrounds, street furniture, etc.) events and opportunities for place making and neighborhood scale networking. 	City of Newton, Chamber of Commerce	Medium, Mid-Term	Staff Time	Number of commercial businesses in smaller village centers

Appendix B

Formatted: Left, Indent: Hanging: 0.81"

City of Newton Economic Development Plan*Implementation Priorities***HIGH PRIORITY****1. EXPAND CAPACITY OF NEWTON INNOVATION CENTER (NIC) (3.F)**

- i. Narrow the purpose and focus of the Center, including who it is trying to serve and why, and what goals and objectives Newton is trying to accomplish.
- ii. Actively look for a larger building closer to more restaurants, coffee shops, entertainment, small offices, and mass transit.
 - *Note:* This initiative would be a joint effort with the Chamber and Cambridge Innovation Center.
 - *Budget implications:* This action could utilize existing staff capacity and resources. However, resources may be needed for a new building.

2. IMPROVE THE EXTERNAL MARKETING OF NEWTON'S BUSINESS ENVIRONMENT (3.C)

- i. Create a more professional economic development website with web-based applications and GIS platforms.
 - *Budget implications:* There will be initial set up costs and annual operating costs (approximately \$10,000).
- ii. Update the economic development website to make it easier to access. Include targeted demographic, economic and workforce data, infrastructure availability, news and events and contact information.
 - *Budget implications:* This initiative may require additional staff or staff time to handle updating with data and information on a regular basis.

3. INCREASE LAB SPACE IN NEWTON TO CAPITALIZE ON HIGHLY SKILLED WORKFORCE WITH SCIENCE BACKGROUND AND REGIONAL ECONOMIC TRENDS. (1.A) AND INCREASE OFFICE SPACE IN NEWTON INCLUDING COWORKING SPACE TO ATTRACT AND RETAIN COMPANIES AND INCREASE THE COMMERCIAL TAX BASE. (1.B)

- i. Identify a corridor or collection of parcels that will be geared towards lab space and rezone as necessary to encourage development to that area.
 - *Budget implications:* Initiative will require additional staff or staff time.
- ii. Look for opportunities to encourage new commercial growth including office and co-working space in new development and expansions.
 - *Budget implications:* Initiative may require additional staff or staff time.

4. CREATE A BUSINESS ENVIRONMENT IN NEWTON THAT PROVIDES MORE SUPPORT FOR SMALL AND LOCAL BUSINESSES (3.A) AND IMPLEMENT POLICIES TO SUPPORT SMALL RETAILERS AND IMPROVE THEIR ABILITY TO REMAIN VIABLE. (3.E)

- i. Develop a regular communication system to ensure easy access of information related to business resources, training programs, and support that is available digitally and in hard copy.
 - *Budget implication:* Integrate initiative with website changes identified above and create regular online communication via newsletter to business (quarterly). Will require staff time to prepare plus the annual subscription cost platform.

- ii. Establish land use policies that encourage or require affordable rent for locally-owned retail establishments in targeted locations throughout Newton.
 - *Budget implication:* Initiative will require staff and volunteer time to develop the policy.
- iii. Recognize historic businesses as special Newton assets by creating a database of long-established small retail businesses and evaluate using this information to design a financial assistance program.
 - *Budget implications:* Integrate into the business visitation software and may require additional resources to meet the specific needs of the retailers.
- ii. Consider employing small business friendly zoning.
 - *Budget implications:* Initiative will require additional research and policy development to achieve goals

5. LEVERAGE THE ECONOMIC DEVELOPMENT COMMISSION (3.B)

- i. Use the Economic Development Commission as a partner in implementation of the Economic Development Action Plan.
 - *Budget implications:* No additional cost or staff but will require providing clear assignment to EDC.

6. BETTER UNDERSTAND AND PROVIDE MORE SUPPORT TO EXISTING BUSINESSES BY EXPANDING NEWTON'S BUSINESS VISITATION PROGRAM. (3.D)

- i. Implement a formal Business Retention and Expansion program.
- ii. Continue to create a schedule and priority list for what companies to conduct visitation with.
 - *Budget implications:* Design or subscribe to business visitation digital tools and staff time to begin to implement the program, collect and report the information, and do proper follow through.

7. IMPLEMENT REGULAR OPPORTUNITIES FOR FEEDBACK FROM BUSINESSES IN THE VILLAGES AND CORRIDORS (3.G) AND CREATE POSITIVE, COMMUNITY-BASED CONVERSATIONS AROUND THE FUTURE OF NEWTON (4.A)

- i. Run a series of round-table discussions in each of the villages to gather information from landlords, property owners, business owners and residents about what they want for their village.
- i. Engage villages residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future.
 - *Budget implications:* Initiative may require additional staff or staff time.

8. PROMOTE MULTIMODAL TRANSPORTATION SAFETY AND COMFORT IN VILLAGES AND NEIGHBORHOODS (5.A)

- i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers.
- ii. Expand placemaking and beautification measures at street level to promote walkability.
 - *Budget implications:* To be determined based on physical improvements necessary and desired.

Formatted: Indent: Left: 0.25", No bullets or numbering

Formatted: Normal, No bullets or numbering

MEDIUM TO LONG TERM PRIORITIES

1. MONITOR DEVELOPMENT OF RIVERSIDE, NORTHLAND AND WASHINGTON STREET CORRIDOR

- i. Encourage uses that align with the goals of Newton in terms of building out co-working space/office/lab space, diversity of housing types, and diversifying and growing the tax base.
 - *Budget implications:* Initiative may require additional staff or staff time.
- ii. Engage neighbors and business community in project discussions.

~~3.1. PROMOTE MULTIMODAL TRANSPORTATION SAFETY AND COMFORT IN VILLAGES AND NEIGHBORHOODS (5.A)~~

- ~~i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers.~~
- ~~ii. Expand placemaking and beautification measures at street level to promote walkability.~~
 - ~~Budget implications: To be determined based on physical improvements necessary and desired.~~

3.2. REVIEW ALL LAND USE REGULATIONS AND DEVELOPMENT POLICIES (4.C) AND IMPROVE THE DEVELOPMENT REVIEW PROCESS (4.B)

- i. Complete the zoning redesign project and ensure regulations are predictable and align goals.
- ii. Focus zoning redesign on reducing the need for special use permits to make development more predictable and easier in places where it is appropriate.
 - *Budget implications:* Initiative is underway and can utilize existing staff capacity and resources.
- iii. Create two tracks for zoning review (smaller vs larger commercial projects) to allow for a more efficient process.
 - *Budget implications:* Initiative may require additional staff or staff time.

4.3. MAXIMIZE PARKING MANAGEMENT SYSTEMS TO ASSIST COMMERCE IN VILLAGE CENTERS (5.B)

- i. Update zoning policy to enable shared parking exceptions.
 - *Budget implications:* Initiative will require additional staff or staff time.
- ii. Assist willing property owners in drawing up and implementing joint agreements that would allow for shared parking opportunities.
 - *Budget implications:* Initiative may require additional staff or staff time from planning and legal team.
- iii. Continue to implement programs like bike share, car share and differential parking rates to reduce congestion and promote multi-modal transportation.

SUMMARY GUIDANCE ON COSTS

The specific immediate and high priority action items have been identified above based on priorities set and outlined in the matrix and additional information received from the City of Newton related to day to day work responsibilities. Additionally, we have included guidance related to the impact of these initiatives on the City's budget, including both financial and personnel resources. The budget implications can be broken into three main categories:

- 1) Direct expenditures: These are items like designing and operating a new website, upgrading GIS capabilities, and necessary costs associated with a new location of the NIC facility.
- 2) Capital budgeting: These items are multi-year longer requirements and will require incorporating the annual costs into capital budgeting. Typically, they are physical infrastructure upgrades that will need to be determined based on available funds and desires of the community.
- 3) Staff time: Many of the action items will not necessarily require additional financial resources but will require staff resources.

PLANNING & DEVELOPMENT BOARD

January 9, 2019

The Honorable City Council President, Marc Laredo

City of Newton
1000 Commonwealth Avenue
Newton, MA 02459

Dear Honorable Council President Laredo:

On January 7, 2019, the Planning & Development Board continued its discussion and review of Newton's *Economic Development Action Plan*. The Board finds considerable merit in the *Plan*, which is comprehensive in its goals and well-documented policy recommendations. The Board is pleased to endorse this *Plan* as a mechanism for updating the sections on economic development in the City's Comprehensive Plan.

However, the majority of the Board felt that the priority assigned to the *Plan's* transportation policies in many instances understated the centrality and urgency of introducing substantial reforms in the transportation options available to businesses and residents in the City. While the *Plan* commendably places "high priority" on transportation improvements for the Riverside, Wells Avenue, Nonantum, and Needham St./Oak/St./Tower Rd. development sites, more general improvements in transportation that are needed throughout the City generally receive only a "medium priority" designation.

The Board understands that the substantial upgrading of public transportation and the development of new and creative public/private community and sub-regional transportation arrangements takes time. However, the gap between the demand for more and better transportation options has been outpacing the supply in Newton for decades. Because transportation is such a powerful engine for both economic development and community development, in the Board's view it deserves a "high priority" designation throughout the *Economic Development Action Plan* in order to emphasize its urgency and centrality to the City's development goals.

Accordingly, the Planning and Development Board voted to amend the *Economic Development Action Plan* by raising the priority level of all "medium priority" transportation goals and policies to "high priority. The amended *Economic Development Action Plan* was then endorsed by the Board by a vote of 6-0 with one abstention.

Submitted on behalf of the Planning & Development Board.



Ruthanne Fuller
Mayor

Barney Heath
Director
Planning & Development

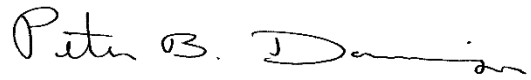
Rachel Powers
Community Development &
HOME Program Manager
Planning & Development

Peter Doeringer, Chair
Kelley Brown, Member
Sudha Maheshwari, Member
Jennifer Molinsky, Member
Sonia Parisca, Member
Chris Steele, Member
Barney Heath, *ex officio*
Kevin McCormick, Alternate
James Robertson, Alternate

1000 Commonwealth Ave.
Newton, MA 02459
T 617-796-1120
F 617-796-1142

www.newtonma.gov

Sincerely,

A handwritten signature in black ink that reads "Peter B. Doeringer". The signature is written in a cursive style with a large initial 'P' and a long, sweeping underline.

Peter B. Doeringer, Chair

Cc: City Council

Susan Albright, Chair: Zoning and Planning Committee
Economic Development Commission

Bcc: R. Powers

B. Heath

Economic Development Action Plan for the City of Newton

January 2019

Prepared for:

City of Newton, MA
1000 Commonwealth Ave.,
Newton Centre, MA 02459



120 West Avenue, Suite 303
Saratoga Springs, NY 12866

518.899.2608

www.camoinassociates.com



About Camoin Associates

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. We specialize in real estate market analysis to evaluate the feasibility and impacts of proposed projects. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$600 million. Our reputation for detailed, place-specific, and accurate analysis has led to projects in thirty states and garnered attention from national media outlets including *Marketplace* (NPR), *Forbes* magazine, and *The Wall Street Journal*. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. The firm currently has offices in Saratoga Springs, NY, Portland, ME, Boston, MA, and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](https://www.facebook.com/camoinassociates).

The Project Team

Jim Damicis
Project Principal

Rachel Selsky
Senior Project Manager

Tom Dworetzky
Lead Analyst

Chris Forinash, Nelson\Nygaard
Principal

Alyson Fletcher, Nelson\Nygaard
Associate

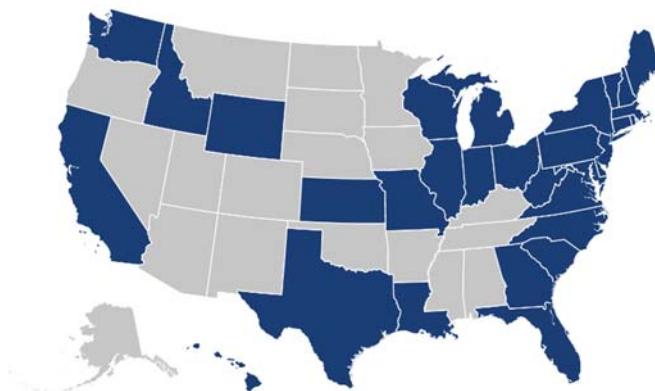


Table of Contents

Executive Summary.....	i
Introduction	2
Work Completed	2
Opportunities and Challenges Assessment.....	5
Emerging Themes	9
Economic Development Action Plan.....	12
Appendix A: Action Plan Matrix	
Appendix B: City of Newton Economic Development Plan Implementation Priorities	
Appendix C: Economic Base Analysis	
Appendix D: Market Analysis	
Appendix E: City Capacity Analysis	
Appendix F: Retail Strategy Research	
Appendix G: Acknowledgements	



Executive Summary

The City of Newton undertook an economic development planning process with the intent of identifying opportunities to make Newton a great place to live, work and play, to grow the commercial tax base, to enhance existing village centers and commercial corridors, and to build on the momentum of the regional economy. With exciting development proposals in the works, market demand opportunities, and many assets, the City of Newton is well positioned to capitalize on regional growth and grow the tax base. This plan has been prepared through a collaborative approach that combines data collection, stakeholder interviews, public engagement, market research, and meetings with the Mayor, Economic Development Commission, and the City's Department of Planning and Development.

The information collection portion of the planning process found that there were a number of key themes that rose to the top as key issues related to economic development, including:

- The City is essentially fully built out and there are limited parcels available for new development. **Almost all projects will have to be renovations or redevelopment projects.** In order to grow the commercial tax base, it will be **essential to look for opportunities in the villages and commercial corridors.**
- **To support commercial development, it will be necessary to make transportation improvements and to increase both the number and types of residential units** to attract and retain a more diverse population.
- **Improvements in the development review process to make it more predictable and efficient will be critical to attracting more development** to the key areas where the City would like to see increased economic activity.

Recognizing the intersection of transit, housing, and land use policy with economic development, the action plan is holistic and focuses on a wide range of issues that all relate to the goals for the future of Newton. The intent of the process and final plan is to guide the efforts of the city, Economic Development Commission, and partner organizations as they move forward and look to implement specific and strategic initiatives to guide economic development in Newton.

The five main goals identified through this planning process include:

Goal 1: Take steps to pursue development sectors that make Newton both commercially successful and a great place to live, work, and play.

Goal 2: Focus redevelopment efforts on key parcels and corridors in Newton

Goal 3: Support the start-up, growth, stability, and vitality of businesses and entrepreneurs in Newton

Goal 4: Make the development process more predictable and efficient including community consensus and refinement of the review process.

Goal 5: Maintain and enhance the special qualities of Newton while improving transportation throughout the City for residents, businesses, and visitors.

Introduction

Recognizing that the time was right to look for opportunities to grow the commercial tax base and build off of recent regional momentum, the City of Newton decided to undertake the creation of an Economic Development Action Plan. The intent of this economic development action plan is to use data, conversation, research, and analysis to identify action plans and strategies that will lead to increased opportunities and intentional economic growth. Through the planning process and implementation, Newton is looking to identify ways to capitalize on regional growth through attraction of new firms and retention of existing companies, and improved quality of life for residents.

Work Completed

To fully understand, analyze, and strategize the economic prospects for Newton, MA, the Camoin Team completed an economic base analysis and market analysis to identify what makes Newton special. These documents are included as an attachment to this report and the main findings are summarized below in the Economic Conditions section and organized by opportunities and challenges. A series of stakeholder interviews that were conducted to better understand issues facing the business community, residents, and developers added anecdotal and “on-the-ground” information to the data. Finally, three public meetings were held to receive feedback from community members.

As part of the initial research to create an economic development strategy for the City of Newton, Camoin Associates gathered data to fully understand the demographic and existing economic conditions. The City of Newton was compared to the larger Boston Metro region and Massachusetts. The following are some of the key findings, with the full report included as Attachment 3.

Demographic Analysis Findings

- After decades of limited growth, the city’s population has increased 7.5% in the last ten years. Census population estimates for 2016 place Newton’s population at 89,045, its highest point since the 1970s. Much of this growth can be attributed to Gen Xers (those born between 1962 and 1981 who are in their thirties to fifties) moving into Newton with their families.
- **Newton has a high share of seniors** (those 60 years and older) relative to the region and state. **The proportion of residents 60+ has increased from 17.2% in 2006 to 24.5% in 2016, as current residents continue to age.** Meanwhile, the **young adult age groups (20 to 39) shrank** from 25.0% to 20.4%, and continue to be underrepresented in Newton compared to the region. This presents an **opportunity to expand the housing stock geared towards both seniors and young adults.** Both of these groups tend to have similar housing preferences in terms of propensity to rent, smaller amount of space required, desire for walkability, and lower housing budgets.
- **With about a third of residents commuting into Boston**, the City of Boston is the top commute destination of Newton residents. About 85% of Newton residents commute out of Newton daily. Additionally, 89% of employees at Newton establishments commute in from outside Newton. This high degree of cross-commuting indicates a mismatch between housing and job options and presents an opportunity to build housing to meet the needs of the city’s workers, as well as

attracting companies that can take advantage of the skills of existing residents and allow residents to work closer to home.

Economic Base Analysis Findings

- Between 2006 and 2016, the number of establishments in the Boston Metropolitan Statistical Area (MSA)¹ increased by 61.8%, compared to an increase of 63.6% nationally. Small firms are driving the largest proportion of growth in the MSA, growing by 104,000 establishments and accounting for 70% of the overall increase in number of establishments. Small firms also contributed the largest growth in number of jobs over the ten-year period (2006-2016) adding 436,917 jobs and making up over half all job growth. This large increase reflects an **atmosphere of entrepreneurship, self-employment, and small business within the region that can be supported in Newton and enhanced with various economic development initiatives.**
- Job growth in Newton is outpacing the MSA and the state. **From 2007 to 2017 jobs increased by 14%, compared to 8% in Massachusetts and 9% the Boston MSA.** In the next decade, jobs in Newton are expected to increase by 9%, based on regional and national historic trends in the industries present in Newton. Average earnings per job in Newton are about \$71,000, which is lower than both the MSA (\$84,000) and state (\$78,000), due to the high number (and growth) of retail and health care jobs in Newton. **Overall job growth indicates a prosperous economic climate, an ability to support a wide variety of jobs, and an opportunity to attract higher-wage employers to the city.**
- The top five industry sectors by employment in Newton for 2017 include:
 - Educational Services (private) (21,350 jobs or 27% of all jobs)
 - Healthcare and Social Assistance (13,062 jobs 16% of all jobs)
 - Professional, Scientific and Technical Services (7,008 jobs or 9% of all jobs)
 - Retail Trade (5,347 jobs or 7% of all jobs)
 - Government (4,997 jobs or 6% of all jobs)
- The sectors growing the most (and providing the most jobs) in Newton are Health Care and Social Assistance; Educational Services; and Professional, Scientific and Technical Services. Educational Services and Professional Services, in particular, tend to be higher-skills, higher-wage jobs, that are better aligned with the city's resident labor force. The sectors contracting are Wholesale Trade; Finance and Insurance; and Retail Trade.

Market Analysis Findings

As part of the initial research to create an economic development strategy for the City of Newton, Camoin Associates conducted a real estate market analysis to determine development opportunities for different use types throughout the city. These use types include office space, lab space, medical office, industrial, retail, hotel, and residential. This information will be used to ensure economic development strategies are

¹ Metropolitan Statistical Areas (MSA) are defined by the United States Census Bureau as: a geographical region with a relatively high population density at its core and close economic ties throughout the area.

grounded in market realities. Market opportunities are summarized in Table 1 with the full report included as Attachment 4.

Table 1: Newton Market Opportunity Summary

Newton Market Opportunity Summary	
Use Type	Opportunity
Office	High vacancy level and a lack of Class A space limit potential for new development, but opportunities exist to reposition and amenitize current inventory.
Lab	Robust growth and soaring rents in Cambridge/Boston life sciences sector presents an opportunity to create a lab space node in Newton.
Medical Office	An aging population and shifting trends in health care delivery means strong demand for medical office space into the future.
Industrial	Land availability constraints and high land costs limit potential for comparatively low-value industrial development.
Retail	High incomes and significant spending leakage are an opportunity for new retail development in the city, but rising rents are squeezing out existing mom-and-pop shops.
Hotel	Sluggish commercial development in Newton and increased room supply in nearby suburbs limits potential, but differentiated boutique hotels are viable.
Residential	Urgent need for smaller, affordable workforce units to house the talent required to attract commercial development. To be affordable, affordable units are more likely to be multifamily rather than single-family homes.

Source: Camoin Associates

Opportunities and Challenges Assessment

The findings of the interviews, data analysis, capacity assessment, and knowledge of the region were compiled into a list of the City of Newton's opportunities and challenges related to economic development and quality of life. This assessment is used to inform the goals, and actions identified in the Action Plan Matrix. The full list of opportunities and challenges are outlined below.

Newton's Opportunities

- Excellent location and proximity within Boston Metro
- Highly educated workforce
- Well established villages
- Well-known reputation as a great place to live
- High-quality schools
- Undergoing zoning redesign
- High incomes and consumer spending power
- Numerous new development projects in progress
- Strong demand for lab space in the region
- Boston College Schiller Institute and UMass Amherst developments
- Three commuter rail and seven MBTA Green Line stops
- Access to the Charles River
- Lower commercial property tax rate than Boston and neighboring communities

Newton's Challenges

- Limited space/sites for development
- Inadequate transportation infrastructure, traffic congestion, and parking challenges
- Limited diversity of housing options
- Negative perception related to predictability and ease of development
- Limited resources for economic development
- Outdated zoning ordinance
- Tension within community around the vision for the future of Newton
- Heavy reliance on residential values for tax base
- Difficulty attracting and retaining entrepreneurial and innovative businesses

What is Constraining the Commercial Component in Mixed-Use Development?

A number of recent mixed-use development proposals with significant residential components have raised questions about why developers are not proposing more commercial development. While the proposals coming forth may seem lopsided, it is important to keep in mind that there is no “typical” balance of residential and commercial programming in a mixed-use property. The mix of uses that a developer pursues depends largely on market demand and the financial return associated with each use type. Market conditions driving development include:

- Newton is a highly desirable place to live and housing commands high prices and rents. As a result, **residential is among the highest-value development types for real estate developers.**
- **There is weak demand in the suburban office market** overall and limited site availability and transportation access.
- **Newton currently has considerable existing vacancies**, over 475,000 square feet, to satisfy small to mid-sized office space requirements.
- There is strong demand for large Class-A office space within the region but **tenants require direct highway or public transit access**, and ideally both. Newton simply does not have many sizable sites that offer this level of access.²
- **Many properties are owned by family trusts** which are less likely to make the investment necessary for redevelopment such as adding floors or revamping older buildings.
- Retail and restaurant demand in Newton is strong, but **retail tenants in a mixed-use development typically cannot survive on spending by on-site residents alone.**
- For a mixed-use development to have a successful retail component, it must be well-located along a major corridor or within an existing commercial area with substantial vehicle or pedestrian traffic.

Tax Base Composition

The tax base composition is an important consideration of this Economic Development Action Plan with one of the goals being to grow the commercial base. The following are some key points related to the tax base in Newton.

- Commercial properties in Newton currently make up 8.7% of total real property value, a share that has remained flat since 2008.
- Limited available parcels and the ratio of demand for residential development compared to commercial development account for this stable percentage over the last ten years.
- All but one of the Newton’s seven neighboring communities have a higher share of commercial property value.
- In Watertown, the share is nearly 18%, and in Boston and Waltham, these property types represent over 30% of value.
- The City maintains a commercial tax rate that is competitive compared to its neighbors. Boston, Waltham, and Watertown all

Commercial & Industrial Share of New Construction Value, 2008-2018	
Waltham	48.3%
Boston	33.8%
Watertown	28.1%
Needham	20.2%
Newton	16.1%
Weston	7.6%
Brookline	7.4%
Wellesley	7.0%

Source: MA Division of Local Services

² Note: There are two key areas in Newton with transportation access including Riverside and Needham Street. Riverside has access to the Green Line and 128 and Northland has access to Interstate 95. These two parcels are the exception in Newton.



have higher commercial tax rates than Newton even though those communities have a significantly higher commercial base as a share of their total real property value.

2018 Commercial Property Tax Rate - Rate per \$1,000 of Assessed Value	
Newton	\$20.62
Boston	\$25.20
Waltham	\$27.97
Watertown	\$24.63

Source: Camoin Associates

Given the fact that commercial development typically has a net positive impact on a community’s fiscal resources, especially compared to residential development, many in Newton see increased commercial development as a way to pay for City expenditures and shift the property tax burden away from residents. However, to “move the needle” on the balance between commercial and residential value, an extraordinary amount of commercial development would be required. Newton’s high number of residential properties and the high values of these properties contribute to this challenge.

To reach a commercial share of 10%, Newton would need over \$400 million in new commercial value, equivalent to more than two Wells Avenue Business Parks or more than three of The Street Chestnut Hill retail developments. If new residential development over the next ten years continues at the pace it has maintained over the last ten years, an additional development equivalent to Wells Avenue Business Park will be needed just to preserve the current commercial/residential balance. Moreover, a huge amount of commercial development would be needed to impact residential property tax bills. If Newton added another Wells Avenue today, it would decrease the average property tax bill for a single-family home by 1.5%, which assumes no additional expenses were incurred to the City as a result.

While it will be difficult to meaningfully increase the percent of the tax base from commercial services, it is essential to keep working towards this goal. **Every dollar of new commercial value is worth almost double (1.9x) the residential value in terms of tax revenue generated.** Annual public expenses, and thus the net fiscal impact, associated with commercial development is almost always lower than residential development, as well. As a result, new commercial development will positively impact the City budget, even if the effect is small. Additionally, **new jobs and investment associated with commercial development create employment opportunities for Newton residents within the City limits, creating ripple effects in the city’s economy.**

Market Potential by Location

The following matrix (Table 2) compares the potential use types to the different locations throughout Newton to identify areas of greatest potential.

Table 2: City of Newton Uses & Location Opportunity Matrix

City of Newton Uses & Locations Opportunity Matrix							
Use Type	Market Potential	Target Locations (applicable districts in <i>italics</i> , 13 villages in bold)					
		Needham Street Corridor	Washington Street Corridor	Charles River Mill District	Major Office Centers	Major Retail Centers	Village Centers
		<i>N-Squared Innovation District</i>	West Newton, Newtonville, Newton Corner	Nonantum	<i>Wells Ave, Riverside</i>	Chestnut Hill, Route 9, Newton Centre	Auburndale, Highlands, Upper Falls, Lower Falls, Waban, Oak Hill, Thompsonville
Office	High vacancy level and a lack of Class A space limit potential for new development, but opportunities exist to reposition and amenitize current inventory.	●	●	●	●		○
Lab	Robust growth and soaring rents in Cambridge/Boston life sciences sector presents an opportunity to create a lab space node in Newton.			●	●	○	○
Medical Office	An aging population and shifting trends in health care delivery means strong demand for medical office space into the future.					●	
Industrial	Land availability constraints and high land costs limit potential for comparatively low-value industrial development.		○			○	○
Retail	High incomes and significant spending leakage are an opportunity for new retail development in the city, but rising rents are squeezing out existing mom-and-pop shops.	●	●			●	●
Hotel	Sluggish commercial development in Newton and increased room supply in nearby suburbs limits potential, but differentiated boutique hotels are viable.		●	○		●	○
Multifamily Residential	Urgent need for smaller, affordable workforce units to house the talent required to attract commercial development. To be affordable, affordable units are more likely to be multifamily rather than single-family	●	●	●			

Source: Camoin Associates

Key

High Potential ●	Some Potential ○	Limited Potential ○
------------------	------------------	---------------------



Emerging Themes

There were a number of core economic development related themes that kept coming up throughout the planning process. These themes drove the development of the specific goals and objectives and guided the conversation about how best to move forward with the City's economic development initiatives. The core concepts and areas for focus included:

- **Business Development, Entrepreneurial Ecosystem, and Workforce Development:** The current assessed value of the City of Newton is heavily weighted towards residential properties, resulting from a high number of very high value homes in the city. With over 85% of the city's assessed value coming from residential properties, there is interest in finding ways to diversify the tax base. **Diversifying the tax base will require attracting, retaining, and expanding the businesses in Newton** through specific business support programs, workforce development initiatives, and innovation and entrepreneurship development. With so much development momentum throughout the Boston Metro, it has been difficult for Newton to compete when business owners are considering relocating due to the city's constraints related to transportation, available space, and incentives. However, Newton does have specific strengths that can be leveraged to attract commercial development including *location, more affordable space options, and a highly educated workforce*. Strategies related to this theme will require identifying targeted industries and locations for development as well as ensuring the proper programs are being offered to support business enterprises and keep innovation in the city.

Why A Diverse Tax Base in Newton is Important -

The City of Newton's tax base is heavily concentrated in residential assessed value, and it would take significant commercial development to ease the tax burden off of residential property owners. However, even though the ratio of residential to non-residential assessed value is unlikely to shift substantially in the near future, there is a lot of value in commercial development, including: *increased job opportunities for local residents, increased vibrancy and vitality, improved quality of life for residents, a more inclusive environment, and an overall healthier and larger tax base*. Instead of focusing on the percent of residential versus non-residential assessed value, other metrics for understanding the growth of commercial development in Newton include:

- Amount of commercial construction occurring year over year;
- Amount of property tax revenue coming from commercial properties and whether that is increasing or decreasing year over year; and
- Percent of total square footage for residential versus non-residential properties in Newton.

Newton's ability to attract commercial development is closely tied to the core issues of:

- *Significant transportation-related issues* that are limiting accessibility of workers and customers as well as diminishing quality of life for residents;
- *Shortage of available land* or space for development and limited economic development resources like funding for staff, attraction, and incentives;
- Local and regional reputation as a place with a challenging development review process and difficulty of prospective businesses working with neighbors and community members; and
- Local and regional reputation as being a bedroom community.

- **Planning and Development Process and Role of the City of Newton:** A crucial recommendation outlined in the Action Plan Matrix is to update the development review process and land use policies to ensure that they align with Newton’s goals and are streamlined and predictable.
- **Neighborhoods, Corridors, and Transportation:** Within the City of Newton, there are 13 unique villages ranging from small neighborhood-serving ones like Waban to major commercial hubs like Newton Centre. These villages, along with the commercial corridors of the City including Needham Street, Washington Street, and Route 9, all have varying degrees of development and community engagement. The economic development strategy must address the varying needs of the villages and corridors within the city to ensure all are able to attract and retain suitable development that supports small businesses, diversity in population and real estate product, and aligns with the community’s vision for quality of life here.

The issue of transportation related to economic development was discussed in numerous interviews, public engagement sessions, and within previous research. Transportation issues of congestion, insufficient public transportation options, lack of parking in some areas, and areas of unsafe bike and pedestrian infrastructure came up as a barrier to workforce and customer attraction and ultimately a barrier to business attraction. When businesses struggle to attract and retain their employees because of transportation cost and time, they will look to locate elsewhere, in particular, where employees can travel by bike, public transportation, or walk. Talent attraction is one of the most important factors businesses consider when they are making location decisions. Newton struggles to compete with other nearby localities who have invested in necessary infrastructure and other systems to deal with transportation issues. Recommendations in the Action Plan offer guidance on priority infrastructure investments.

City of Newton Zoning Code

The City of Newton is undergoing a significant update of the zoning code and related land use regulations. This zoning re-write will address some of the major issues related to economic development, including bringing parcels into conformity with their current use to minimize appeals and amendments, reviewing parking requirements, and ensuring the types of uses that are desired are allowed in the villages and corridors.

Review of the zoning regulations and associated policies will also include considering ways to make the overall process more predictable and faster; this review aligns with the City’s goal of growing the commercial tax base.

Housing Diversity

Although not always seen as a typical economic development concern, having a diversity of housing options in Newton is vital to having a range of both employees and commercial sectors. Allowing increased variety of housing in targeted locations, different types of housing options, and different price points ensures that Newton can be home to a range of people and that the businesses are able to get the workers they need, all of which impacts economic development.

Small Businesses

Small, locally owned businesses play an important role in any city, but especially in the villages of Newton. Small businesses have a great impact on the local economy and add flavor, uniqueness, and character to downtowns and village centers. The small businesses in Newton are struggling to remain viable due to high rent for space, parking challenges for customers and employees, and declining spending due to online sales.

Economic Development Action Plan

The Economic Development Action Plan for the City of Newton has been developed to address the primary issues, themes, and opportunities identified. The intent of the plan is to outline specific strategies that the City of Newton and partners can implement that will grow the commercial tax base and improve the City for living, working, and playing. Tactics for wide-ranging strategies and objectives have been included with both short- and long-term steps and priority levels.

Some of the initiatives described on the following pages are already in progress within the City of Newton or have been suggested previously as part of prior planning efforts, while others have been developed based on economic development best practices, an understanding of the issues facing the region and Newton, and potential capacity of City staff. This plan is designed to grow the commercial tax base in an effort to maintain the high level of services that residents currently enjoy while being inclusive to a wide range of residents. The plan was developed around existing and potential staff capacity, yet the objectives in the plan are ambitious to help the City meet ambitious economic development goals.

These initiatives are intended to act as a work plan for the City of Newton and task status should be reviewed regularly for progress-to-completion or a need to change course. While these are important goals and objectives right now, the ever-changing economy, as well as fluctuating state and national priorities, are likely to dictate adjustments to the plan.

The following is a narrative description of the Action Plan Matrix. More detail is provided immediately following in the Action Plan Matrix itself.

Priority First Steps

While all the strategies are important and have been included for a reason, the following should be implemented as soon as possible as they will have the greatest impact and result in momentum for the overall effort.

- 1) **Complete the review of the zoning code to align it with the goals of the community** to grow the commercial tax base and make village centers and commercial corridors with mass transit thriving with successful retail, restaurants, and residences. Use this time to also review the development review process to find ways to make it faster and more predictable. Complete press releases, developer informational sessions, and other promotional activities to make people aware of the improvements being proposed to improve the perception of Newton's review process and relationship with development. The intention is not to make it easy for developers but rather to make it predictable and not overly onerous in a way that blocks good development from happening.
- 2) **Update the City of Newton's Economic Development website** to include more information about the strengths of the city, available space, major project happenings, and other tools for businesses looking to potentially locate in the area. Highlight the workforce, high quality of life, and affordable space options as reasons why a business should locate in Newton. Create target landing pages

- 3) **Continue to reevaluate the Newton Innovation Center** to identify the next steps of the initiative. Find a larger building in a location with restaurants, coffee shops, and other amenities while re-aligning or re-reconfirming the purpose and focus of the Center to clarify who it is trying to serve and why, what goals and objectives the City is trying to accomplish.
- 4) **Improve the land use policies and development review process to encourage appropriately scaled transit oriented development and walkability.** Use the zoning update to allow for walkable villages and corridors with appropriate parking requirements.

Action Plan

Goal 1 Take steps to pursue development types that make Newton both commercially successful and a great place to live, work, and play.

Objective #1.A. - Increase lab space in Newton to capitalize on highly skilled workforce with science background and regional economic trends.

- i. Identify a corridor or collection of parcels that will be geared towards lab space and rezone as necessary to encourage development to that area. Look to areas with high market demand such as Nonantum, Wells Ave, and Riverside. Concentrate the lab space to encourage synergies between the businesses and employees.
- ii. Use City of Newton resources to invest in transportation infrastructure (bike and pedestrian assets, public transportation, van or car sharing options), technical infrastructure (financing pools, professional service provider inventory, business planning guidance), permitting (fast track, generic review and approvals), etc. to make it easy and attractive for a business to establish a space.
- iii. Promote the potential opportunities of Newton to existing lab space developers and operators, including affordability, parking, and community support. Conduct targeted marketing including improved web presence, conferences, and other networking events.

Objective #1.B. - Increase office space in Newton including coworking space to attract and retain companies and increase the commercial tax base.

- i. Add office space by allowing appropriately scaled additional stories in the zoning redesign in targeted areas with demand for office space such as Riverside, Wells Avenue, Nonantum, and village centers.

Objective #1.C. - Encourage mixed-use projects in villages and commercial corridors, especially those with mass transit.

- i. Redo zoning to make sure that market driven mixed-use developments are allowed in village centers and along commercial corridors. Allow for additional development around commuter rail,

T stations, and other multi-modal assets to create mixed-use nodes with increased economic activity, customer base, and vibrancy.

- ii. Evaluate proposed mixed-use projects in terms of the proportion of workforce housing to create skills match between housing and employment options.
- iii. Encourage development of housing geared towards young professionals and low to middle income families to attract more people to serve business growth.
- iv. Encourage housing in villages and commercial corridors with mass transit to create "built in" customers for businesses who need less access to private automobiles.

Objective #1.D. - Take advantage of economic development tools

- i. Use Tax Increment Financing (TIF), if necessary, to incentivize commercial development and attract businesses. Develop guidelines for evaluating TIF applications that establish Newton's desired outcomes from TIF-incentivized projects (e.g. quality job creation, sizeable capital investment, attraction of specific industry sectors, etc.) and specify targeted investment areas within the city, including Needham Street, Washington Street, Wells Avenue, the Charles River Mill District, and Newton Centre.
- ii. Utilize District Improvement Financing (DIF) for funding traffic and infrastructure improvements, parking structures, and other public projects needed to stimulate private investment in targeted areas within Newton, if necessary. Identify DIF goals and establish a Development District and Development Program for one or more areas within Newton
- iii. Assess the potential for using District Improvement Financing (DIF) revenues for Newton to acquire and lease out affordable retail space to local retailers in retail districts including Washington Street and Newton Centre.

About Tax Increment Financing (TIF)

Tax Increment Financing ("TIF"), which enables a municipality to enter into an agreement to reduce taxes on Real Property, is a method that, like District Improvement Financing (DIF), offers incentives for investment in a targeted area. Unlike DIF, TIF requires approval by the state's Economic Assistance Coordinating Council. Municipalities may apply for permission to enter into TIF Agreements through the Economic Development Incentive Program.

Under this TIF legislation, landowners may be granted property tax exemptions of up to 100% of the tax increment. A municipality may enter into a TIF Agreement with a landowner for a maximum term of 20 years. A TIF Zone must be in an area approved by the EACC as an Economic Opportunity Area (EOA) or found to be an area "presenting exceptional opportunities for economic development" by the Director of Economic Development.

TIFs are often approved in conjunction with state tax credits and often have a job creation/retention requirement attached.

- Needham and Boston are the only two neighboring communities of Newton to approve TIF agreements over the last several years.
- In Needham, TIFs were approved for TripAdvisor in 2012 and NBCUniversal in 2017
- In Boston, a TIF was approved for LogMeIn in 2014

Some communities have TIF guidelines on their website that lay out the TIF application process for a potential development. Newton should consider assembling its own set of guidelines.

- <https://www.mma.org/shelburne-develops-tif-guidelines-0>
- <http://www.town.barnstable.ma.us/economicdevelopment/TIF%20Application%20Checklist.pdf>
- <http://southhadleyma.gov/258/Tax-Increment-Finance-Plan>
- <https://www.northamptonma.gov/DocumentCenter/View/878>

Goal 2 Focus redevelopment efforts on key parcels and corridors in Newton.

Objective #2.A. - Continue to revitalize Needham Street

- i. Complete the Needham Street visioning process and implement recommendations.
- ii. Improve the physical environment of Needham Street corridor to make it more pedestrian friendly, implement traffic calming measures, and enhance the appearance.
- iii. Work collaboratively with Needham to implement N2 Innovation District initiatives.
- iv. Work with the developers of the Northland property to create an appropriately scaled project that will have positive economic benefits for the community creating a mixed-use project that will provide housing, Class A office, retail, and other amenities and will offer new transportation options, types of housing, and more vibrancy.

Objective #2.B. - Pursue development of Riverside

- i. Engage neighbors and community in project discussions. Assist with facilitation of conversations with local, regional, and statewide agencies. Highlight the potential of the site resulting from its location along the 128 belt and access to the MBTA station.
- ii. Encourage uses that align with the goals of Newton in terms of building out co-working space/office space, diversity of housing types, and diversifying and growing the tax base.
- iii. Determine the right mix of uses and size/scale/building height so it works for Newton.
- iv. Build transportation infrastructure to serve the Riverside development to enhance multi-modal offerings and ability to move from the site to other places in Newton. Specifically, consider connecting the green line at Riverside to the commuter rail at Auburndale, creating safer walking and biking connections throughout, and creating a connected network of streets within Riverside that also connects at multiple points to the surrounding areas including Recreation Road to avoid overloading Grove Street.

Objective #2.C. – Build out the Charles River Mill District

- i. Align zoning with goals to be a mixed-use neighborhood with opportunities for lab space and support services.
- ii. Build the brand of the Charles River Mills District. Inventory the assets and strengths of the area and incorporate into promotion material as a good option for those companies looking for a moderate cost and industrial/urban setting.
- iii. Develop lab space in this district, an emerging opportunity.
- iv. Encourage the proper mix of services (eg - Restaurants, coffee shops, day care, etc.) to serve residents, businesses, and employees.

Objective #2.D. - Realign the Wells Avenue Business Park

- i. Implement the recommendations from the Wells Ave Vision plan including creating a secondary entrance/exit.
- ii. Increase the height restrictions to allow for additional growth.
- iii. Allow for a variety of non-housing (gyms, restaurants, cafes, personal services, etc.) and create additional amenities for businesses and workers.
- iv. Improve the quality of the roads, sidewalks, lighting, seating, signage, and general appearance of the Wells Avenue Business Park for all users.

Objective #2.E. - Revitalize Washington Street

- i. Continue to engage the community in the Washington Avenue Corridor Visioning and Zoning process and direct development to align with community vision.
- ii. Make physical improvements and transportation related improvements that align with the vision identified.

Objective #2.F. - Develop a vision plan for Newton Centre

- i. Complete a full market analysis to identify the specific opportunities for Newton Centre, including community infrastructure.
- ii. Engage community and neighbors in the process to allow for feedback on potential growth, use types, new projects, and investments.
- iii. Amend zoning to be consistent with vision.
- iv. Limit the number of banking institutions to diversify mix of business.
- v. Encourage building second and third floors on existing building for office and residential.
- vi. Encourage more co-working space.

Objective #2.G. - Focus development of larger villages as regional centers for business and retail

- i. Focus on creating a vibrant environment in the larger villages, especially those with mass transit, through attraction of restaurants, retail, housing, and office/co-working space. Review all zoning regulations to ensure they accommodate an increase in square footage of development that is in line with the community goals for each village.
- ii. Design parking recommendations to ease congestion and make it easier for businesses and residents.

Goal 3 Support the start-up, growth, stability, and vitality of businesses and entrepreneurs in Newton.

Objective #3.A. - Create a business environment in Newton that provides more support for small and local businesses

- i. Create a regular communication system to ensure easy access of information related to business resources, training programs, and support that is available digitally and in hard copy.
- ii. Establish land use policies that encourage or require affordable rent for locally-owned retail establishments in targeted locations throughout Newton.
- iii. Partner with the Chamber, higher education, and other organizations to offer networking events for small businesses and entrepreneurs for both partnership development and to create a support system. Use events to highlight service providers that are well versed in the challenges facing small businesses in Newton.
- iv. Make changes to zoning code to ensure co-working, incubator, and makers spaces are allowed as a right within targeted areas.
- v. Continue to engage with the N2 Innovation District and collaborate on efforts that will highlight Newton as attractive and open for business.
- vi. Identify funding sources for businesses and property owners to work with enforcement officials around improvements to bring buildings up to code.
- vii. Ensure zoning code allows home based businesses with appropriate regulations to preserve neighborhood character.

Objective #3.B. – Leverage the Economic Development Commission

- i. Use the Economic Development Commission as a partner in implementation of the Economic Development Action Plan.

- ii. Continue to have the EDC weigh in on City of Newton matters related to or impacting business and economic development.
- iii. Use the EDC to communicate and work with the village and corridor stakeholders to understand and plan for how their goals and objectives fit into the Economic Development Action Plan.

Role of the Economic Development Commission

From *City Capacity Assessment* by Camoin (Attachment 5)- The Economic Development Commission was established by City ordinance with a mission to promote and develop business and industry for the purpose of strengthening the local economy, providing jobs, and expanding the City's tax base. The Commission promotes, assists, and encourages existing and new business, industry, and commerce in Newton and advises and makes recommendations to City officials and staff.

Recommendations

Success in Newton and regional economic development requires an ongoing commitment to understand, plan, implement, and measure policies and actions. While the EDC is not a policy-making or an independent body that can take or implement action, they can and should play a critical role in economic development. Based on the work completed for the Economic Development Action Plan, we recommend the following as it relates to the EDC's role:

1. With support from staff, be the primary overseer of Economic Development Action Plan including communicating its results, briefing the Mayor, Council, and relevant committees, businesses and the public; regularly reviewing progress using the action plan matrix, reporting progress, and making recommendations for any course-adjustments. This should be done at least annually.
2. Objectively weigh in on City matters related to business and economic development. Specifically focus on impacts or implications of City policies and actions on the business environment, economic growth and development.
3. Communicate and work with the Chamber, Neighborhood Councils, and village or corridor groups to understand and plan for how their goals and objectives can fit within the City's overall Economic Development Action Plan.

Objective #3.C. - Improve the external marketing of Newton's business environment

- i. Create a more professional economic development website with web-based applications and GIS platforms.
- ii. Update the economic development website to make it easier to access. Include targeted demographic, economic and workforce data, infrastructure availability, and contact information.
- iii. Create a targeted bio/life sciences landing page that has marketing material targeted towards developers and businesses that highlight the workforce skills and qualifications of residents, available space and any shovel ready sites, Gold Bio-Ready Rating, and the ease of the process.
- iv. Create a workforce landing page that describes the workforce and why Newton is a good place to do business.
- v. Create a retail/demographic landing page that describes why Newton is a good place to open a store.
- vi. Enhance the City of Newton's commercial real estate connection services through use of MLS listing, tracking of available space, development of web-based applications, and redesign of the Commercial Real Estate Connection page.
- vii. Increase the marketing budget as resources and demand allows.

Objective #3.D. - Better understand and provide more support to existing businesses by expanding Newton's business visitation program.

- i. Implement a formal Business Retention and Expansion program, and partner with an organization such as the Regional Chamber. Work with partner organizations to create a base list of questions for all contacts and a central point for documentation of the visit to make sure all information is shared and follow-up conducted.
- ii. Continue to create a schedule and priority list for what companies to conduct visitation with. Focus efforts on the larger businesses first with regular integration of the smaller businesses that have potential to grow.
- iii. Review the pre-visit survey to identify topics for discussion, conduct visit, track information and issues, and follow-up site visits with responses back to the business. Input all data and information in a digital system or platform to keep track of any necessary follow-up. Use information to address immediate issues through referral or immediate action and/or identify themes and provide recommendations to the City of Newton.

Objective #3.E. – Implement policies to support small retailers and improve their ability to remain viable.

- i. Recognize historic businesses as special Newton assets by creating a registry of long-established small retail businesses and evaluate using this information to design a financial assistance program.
- ii. Consider employing small business friendly zoning that preserves and increases supply of small retail spaces, and includes a business diversity ordinance.
- iii. Work to engage landlords in discussions around economic development issues in villages and the role that they play in supporting small retail.
- iv. Create opportunity for local Newton businesses in government properties when appropriate.

City of Newton Retail Strategies

Newton's thirteen villages each have their own unique mix of local businesses, historic assets, and public amenities. They are under increasing rent pressure from the booming regional real estate market:

The core retail markets inside and along Route 128 have seen record-setting rents as of late, and are expected to remain steady. In this area, average rents of \$50-\$55 per square foot NNN for small shop space and \$25-\$30 per square foot NNN for larger spaces are common. For every operator that comes into this area aggressively but cannot sustain sales sufficient to cover high rents, there are strong tenants ready to backfill that space. Recent successful retail developments in Newton include The Street Chestnut Hill and Newton Nexus.

While these trends are great for the tax base, property owners, and developers, the spike in commercial rents is outpacing sales growth for Newton's small businesses. Combined with the need to adapt quickly to eCommerce trends in the industry, competition from national chains, and a limited supply of affordable space, Newton's long-established independent businesses are under threat; some have already shuttered their storefronts. As small local businesses are forced to leave, Newton's sense of place is diminished.

See Attachment 6 for more information on strategies to preserve local retail establishments.

Objective #3.E. - Expand capacity of Newton Innovation Center (NIC)

- i. Clarify the purpose and focus of the Center, including who it is trying to serve and why, and what goals and objectives Newton is trying to accomplish. Focus on entrepreneurs and businesses with employees who live and work in Newton or at least have expressed interest in growing in Newton outside of the NIC.
- ii. Actively look for a larger building closer to more restaurants, coffee shops, entertainment, small offices, and mass transit.
- iii. Establish guidelines for accepting and graduating clients/tenants connected to the purpose, goals and objectives. Make clients and tenants apply and then base acceptance on a case-by-case basis using the guidelines.
- iv. Develop and implement a more formal evaluation and metric system specifically to show progress towards meeting goals and objectives. Report results annually to the EDC and City of Newton.
- v. Expand the focus to include small business services (regardless of sector) for existing Newton businesses.
- vi. Increase visibility through social media, stories, and the Website.

Newton Innovation Center

The City of Newton works in collaboration with the Regional Chamber and the Cambridge Innovation Center to run the Newton Innovation Center (NIC), a center based in a municipal building.

The Center has served 126 clients since it began (40 since last June) in 2016. Less than ten of these have been Newton companies. Of clients served, only 1 company has left (graduated from the Center) and that company is moving to Rhode Island; none have graduated and stayed within Newton.

Clients/tenants pay monthly rent of \$175 for co-working space and \$350 for dedicated office space which is significantly below market value rates in Newton. Initial investment by the City of Newton was the building itself which is a City owned building. The City provides building maintenance and care but beyond that there are no other annual costs to the City. The City receives annual revenues from the Center in the amount of \$8,500 (\$6000 license fee, \$2400 cleaning fee) for a net fiscal benefit of \$6,000 annually.

There are no specific criteria for accepting clients other than space limitations. Thus far the Center has had to turn away about eight companies due to space availability. There is also no policy or criteria for graduating clients. They can stay as long as they wish as long as they pay the rent. In terms of evaluation and tracking results, the Center sends out a survey to the tenants each year when their license agreement is renewed to track results on number of companies using the space but there is no broader evaluation based on meeting economic objectives or outcomes overall for the Center.

Targeted Industries

Based on our analysis (data and findings for which is presented in the Base Analysis), we recommend the following industry targets. These were based on historic and projected trends in Newton and the surrounding region related to industry size, concentration, growth, and earnings along with our knowledge of emerging industry trends. They are also recommended based on the existing labor force, education levels and demographics.

- Healthcare – large and small providers, companies within the supply chain or needing to partner with healthcare providers, health care practices seeking real estate/office space, home health networks, entrepreneurs within the health care space, and health-tech (healthcare and IT)
- Educational services – including private training, online businesses, business that can benefit from access to education institutions, high education levels, enrichment training and learning including the arts, education technology
- Professional, scientific and technical – particularly computer systems design which is a regional and local strength, management and consulting, science and technology
- FIRE – finance, insurance, and real estate – though experiencing some declines in sub sector, overall a good match for the City and region with leading real estate knowledge forms, strong workforce skills in analytics, management, and IT
- Possible emerging opportunity – life sciences, biotech – strong in Greater Boston Region is an opportunity for companies looking to move out of start-up phase to a corporate home if lab space can be developed (see real estate section).

In terms of business retention, expansion and attraction tactics for the City of Newton

- 1. Focus on retention and expansion as the top priority – assisting with planning, codes, licenses, customer service, connecting business to solve problems of business already there. Help any and all businesses for retention and expansion regardless of sector.**
2. Work with Chamber and regional partners on coordinating attraction efforts – effort will require business intelligence, lead generation, and building networks nationally and globally which will require resources beyond which can be provided by the City alone.
3. Key selling points – Boston metro – globally recognized metro, safety, education levels/workforce, education institutions, technology intensive region, neighborhoods and villages outside of downtown Boston but near to it, high quality services (school system, parks recreation, library etc....); and, lower price real estate than parts of Boston.
4. Update website to reflect information on economic development specifically related to these targets and tactics.

Objective #3.G. - Implement regular opportunities for feedback from businesses in the villages and corridors

- i. Run a series of round-table discussions in each of the villages to gather information from landlords, property owners, business owners and residents about what they want for their village. Use these conversations to focus on identifying priority projects, specific improvements, opportunities to establish a unique village, and what business owners need. Assess what citizens and businesses are interested in committing their time and efforts to.
- ii. Identify what is needed from the City of Newton to make priority projects happen in terms of funding, support, and education, and provide this information to village representatives following round-table discussions.

Objective #3.H. - Target growth sectors based on Newton's strengths - bio/life sciences; healthtech; professional and technical services (including IT)

- i. Integrate tactics geared specifically towards these sector opportunities into business expansion and attraction efforts. Identify Stage 1 and 2 companies (1-10 employees) looking to grow but not necessarily wanting a City of Boston location.
- ii. Update website to reflect information on economic development related to these targets and tactics. Identify, highlight, and promote success stories of companies in Newton in these targeted sectors through social media, press releases, and newsletter communications.
- iii. Work with Newton North High School and Newton South High School to create internships, career pathways, and other workforce development systems to prepare students for potential careers or business opportunities.
- iv. Work with Chamber and regional partners on coordinating attraction efforts.

Objective #3.G. - Create an inventory of funding sources and financing tools

- i. Inventory all the funding sources and resources available to businesses in Newton for a variety of issues including mentoring, capital costs, training, retaining, retraining, etc. Make this information available on the website and update regularly. Look to inventory Small Business Assistance programs, low interest loan options, grant programs, and other alternative financing tools. Consider having EDC play a role in this effort.
- ii. Reach out to residents of Newton to consider establishment of a Newton-specific angel investment fund to support entrepreneurs and start-ups who want to stay and grow in Newton. Engage existing investors and businesses in Newton and highlight the benefits of growing and keeping successful businesses local. Align this effort with the strategies and efforts for the NIC.

Goal 4 Make the development process more predictable and efficient including community consensus and refinement of the review process.

Objective #4.A. - Create positive, community-based conversations around the future of Newton

- i. Engage villages residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future.
- ii. Find ways to engage the residents of Newton in regular positive, open discussions around the core issues facing Newton including diversity, affordability, residential growth, inclusion, local initiatives and funding for projects. Make these conversations ongoing through multiple channels and use the information gathered to guide economic development in the direction desired by the community.

Objective #4.B. - Improve the development review process

- i. Improve the existing one stop shop within Newton to assist with larger projects and act as a liaison through the review process.
- ii. Improve and possibly streamline procedures for engaging the community around large projects that are being proposed. Engage developers early in community discussions to identify issues and have fewer delays.
- iii. Implement a customer service survey for applicants to identify areas for improvement. Implement recommended changes as appropriate.

Objective #4.C. - Review land use regulations and development policies

- i. Complete the zoning redesign project to ensure regulations are predictable and align with stated goals of the community around economic development, livability, diversity, density, and inclusion. Create guidelines to grow the commercial tax base and enhance vibrancy. Focus on core

commercial areas and village centers, particularly those areas with multi-modal transportation options and existing infrastructure.

- ii. Focus zoning redesign on making development more predictable and easier in places where it is appropriate.
- iii. Review necessity for parking for ground floor uses in village centers.
- iv. Provide the public and decision makers better information about the fiscal impact of land use decisions.

Objective #4.D. - Improve development review process to create more walkable developments in areas close to Newton's transit assets

- i. Use zoning update process to clarify regulations for more walkable villages and commercial corridors and to consider parking requirements in context.
- ii. Require analysis of transportation options as part of development analysis to understand impacts.
- iii. Streamline design review process to make it predictable and efficient for applicants.
- iv. Create a transportation fund, where developers can pay for site context improvements or for specific elements to be implemented in the capital improvement program.

Goal 5 Maintain and enhance the special qualities of Newton while improving transportation throughout Newton for residents, businesses, and visitors.

Objective #5.A. - Promote multimodal transportation safety and comfort in villages and neighborhoods

- i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers.
- ii. Expand placemaking and beautification measures at street level to promote walkability.
- iii. Implement slow traffic zones where needed.
- iv. Invest in transit and cycling networks and services to serve younger workforces that want alternatives to commuting by car. Specifically, focus on linking gaps between mass transit services and bike paths and employment centers.

Objective #5.B. - Use shared parking to reduce parking footprint in village centers

- i. Update zoning policy to enable shared parking exceptions.
- ii. Assist willing property owners in drawing up and implementing joint agreements that would allow for shared parking opportunities.
- iii. Establish and adopt a parking availability goal (could be village-wide or sub areas)
- iv. Regularly evaluate supply and demand of public and private parking use to evaluate needs and compliance with goal.
- v. Use supply and utilization data to examine the right amount of parking as part of future developments.
- vi. Use parking technology to encourage motorists to park in the most appropriate places.

Objective #5.C. - Comprehensively evaluate private shuttle routes that operate to create a more inclusive and comprehensive community transit system

- i. Partner with operators to develop a mutually-beneficial system between private and institutional shuttles while also filling needed gaps in service.
- ii. Partner with adjacent municipalities to create sub-regional service.
- iii. Promote and incentivize ridership.

Objective #5.D. - Focus on maintaining the character and unique feeling of the villages while supporting economic vibrancy

- i. City of Newton representatives should continue to regularly visit businesses and attend neighborhood meetings to identify concerns and challenges to the business environment and how small businesses can be supported. Work with residents to identify any issues or concerns that impact their quality of life and their ability to interact at the neighborhood level.
- ii. Invest in public infrastructure, streetscape improvements, street furniture, parks, and green space to create opportunities for increased interactions among neighbors and walkability.
- iii. Work cooperatively with businesses and residents to create small scale community gathering places (playgrounds, street furniture, etc.) events and opportunities for place making and neighborhood scale networking.

Objective #5.E. - Enhance Newton's thriving arts community

- i. Support the Newton Cultural Alliance and Newton Pride and engage the arts community in identifying and addressing what issues or challenges they are facing.
- ii. Develop a Newton Cultural Plan that outlines needs, opportunities, and specific strategies for implementation.
- iii. Review permitting process for art events and other events in the community. Make adjustments as appropriate to streamline requirements and make it more accessible.
- iv. Incorporate art into new projects such as space for artists to live or work, commissioning of pieces, and more community art experiences.
- v. Continue to provide matching funds to support Newton's participation in the Mass Cultural Council.
- vi. Work with the Chamber and the Economic Development Planner to continue to connect developers with the art community for engagement and strategizing.

Objective #5.F. - Create initiatives that highlight and promote the unique aspects and quality of life of Newton

- i. Enhance the use, appreciation, and protection of the Charles River by attracting water enhanced and water based businesses. Implement recommendations identified in the N2 Innovation District Plan to develop trail connections along the Charles River to create a "river walk." Repurpose the unused rail bridge across the river between Christina Street and the river walk for pedestrian access. Expand infrastructure for canoeing and kayaking in the Charles River, such as additional boat launches. Market these recreational opportunities to residents, employees, and visitors. Highlight access and view points to incorporate the Charles into the day-to-day life of Newton residents and workers.
- ii. Invest in the gateways at the main "entrances" to Newton including signs, planters, street art, and other techniques to engage those who are passing through and ensure that they know they are arriving in Newton, a special city.
- iii. Enhance the unique Newton feel of each village and commercial corridor with signage, benches, light fixtures, planters, art, etc.
- iv. Work cooperatively with business and residents to create small scale community gathering places (playgrounds, street furniture, etc.) events and opportunities for place making and neighborhood scale networking.

Camoin Associates, Inc.
120 West Avenue, Suite 303
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
@camoinassociate



Appendix A

City of Newton Action Plan Matrix

Goal 1: Take steps to pursue development types that make Newton both commercially successful and a great place to live, work, and play.

Rationale: For Newton to successfully move towards the desired future there are specific steps that Newton can take to encourage development of specific use-

	Objective	Actions	Lead and Partners	Priority Level and Timeframe	Resource Level	Measures for Progress and Success
1.A.	Increase lab space in Newton to capitalize on highly skilled workforce with science background and regional economic trends.	<ul style="list-style-type: none"> i. Identify a corridor or collection of parcels that will be geared towards lab space and rezone as necessary to encourage development to that area. Look to areas with high market demand such as Nonantum, Wells Ave, and Riverside. Concentrate the lab space to encourage synergies between the businesses and employees. ii. Use City of Newton resources to invest in transportation infrastructure (bike and pedestrian assets, public transportation, van or car sharing options), technical infrastructure (financing pools, professional service provider inventory, business planning guidance), permitting (fast track, generic review and approvals), etc. to make it easy and attractive for a business to establish a space. iii. Promote the potential opportunities of Newton to existing lab space developers and operators, including affordability, parking, and community support. Conduct targeted marketing including improved web presence, conferences, and other networking events. 	City of Newton, EDC	High, Short Term	Staff Time and High Level of Capital Investment	Total square feet of lab space, Number of related jobs in Newton, Number of related companies in the city.
1.B.	Increase office space in Newton including coworking space to attract and retain companies and increase the commercial tax base.	<ul style="list-style-type: none"> i. Add office space by allowing appropriately scaled additional stories in the zoning redesign in targeted areas with demand for office space such as Riverside, Wells Avenue, Nonantum, and village centers. 	City of Newton	High, Short Term	Staff Time	Total square feet of occupied office space
1.C.	Encourage mixed-use projects in villages and commercial corridors, especially those with mass transit.	<ul style="list-style-type: none"> i. Redo zoning to make sure that market driven mixed-use developments are allowed in village centers and along commercial corridors. Allow for additional development around commuter rail, T stations, and other multi-modal assets to create mixed-use nodes with increased economic activity, customer base, and vibrancy. ii. Evaluate proposed mixed-use projects in terms of the proportion of workforce housing to create skills match between housing and employment options. iii. Encourage development of housing geared towards young professionals and low to middle income families to attract more people to serve business growth. iv. Encourage housing in villages and commercial corridors with mass transit to create "built in" customers for businesses who need less access to private automobiles. 	City of Newton	Medium, Short Term	Staff Time	Total square feet of occupied space within .25 miles of multi-modal assets, Number of residential units considered affordable for the workforce
1.D.	Take advantage of economic development tools	<ul style="list-style-type: none"> i. Use Tax Increment Financing (TIF), if necessary, to incentivize commercial development and attract businesses. Develop guidelines for evaluating TIF applications that establish Newton's desired outcomes from TIF-incentivized projects (e.g. quality job creation, sizeable capital investment, attraction of specific industry sectors, etc.) and specify targeted investment areas within the city, including Needham Street, Washington Street, Wells Avenue, the Charles River Mill District, and Newton Centre. ii. Utilize District Improvement Financing (DIF) for funding traffic and infrastructure improvements, parking structures, and other public projects needed to stimulate private investment in targeted areas within Newton, if necessary. Identify DIF goals and establish a Development District and Development Program for one or more areas within Newton iii. Assess the potential for using District Improvement Financing (DIF) revenues for Newton to acquire and lease out affordable retail space to local retailers in retail districts including Washington Street and Newton Centre. 	City of Newton	Medium, Mid-Term	Staff Time	New development induced

Appendix A

Goal 2: Focus redevelopment efforts on key parcels and corridors in Newton.

Rationale: There are a number of corridors and areas of Newton that are especially well positioned for economic development opportunities.

	Objective	Actions	Lead and Partners	Priority Level and Timeframe	Resources	Measures for Progress and Success
2.A.	Continue to revitalize Needham Street	<ul style="list-style-type: none"> i. Complete the Needham Street visioning process and implement recommendations. ii. Improve the physical environment of Needham Street corridor to make it more pedestrian friendly, implement traffic calming measures, and enhance the appearance. iii. Work collaboratively with Needham to implement N2 Innovation District initiatives. iv. Work with the developers of the Northland property to create an appropriately scaled project that will have positive economic benefits for the community creating a mixed-use project that will provide housing, Class A office, retail, and other amenities and will offer new transportation options, types of housing, and more vibrancy. 	City of Newton, EDC	High, Short Term	Moderate Staff Time	Number of community engagement sessions, Total number of commercial square footage
2.B.	Pursue development of Riverside	<ul style="list-style-type: none"> i. Engage neighbors and community in project discussions. Assist with facilitation of conversations with local, regional, and statewide agencies. Highlight the potential of the site resulting from its location along the 128 belt and access to the MBTA station. ii. Encourage uses that align with the goals of Newton in terms of building out co-working space/office space, diversity of housing types, and diversifying and growing the tax base. iii. Determine the right mix of uses and size/scale/building height so it works for Newton. iv. Build transportation infrastructure to serve the Riverside development to enhance multi-modal offerings and ability to move from the site to other places in Newton. Specifically, consider connecting the green line at Riverside to the commuter rail at Auburndale, creating safer walking and biking connections throughout, and creating a connected network of streets within Riverside that also connects at multiple points to the surrounding areas including Recreation Road to avoid overloading Grove Street. 	City of Newton, EDC	High, Short Term	Minimal Staff Time	Number of community engagement sessions, Total number of commercial square footage
2.C.	Build out the Charles River Mill District	<ul style="list-style-type: none"> i. Align zoning with goals to be a mixed-use neighborhood with opportunities for lab space and support services. ii. Build the brand of the Charles River Mills District. Inventory the assets and strengths of the area and incorporate into promotion material as a good option for those companies looking for a moderate cost and industrial/urban setting. iii. Develop lab space in this district, an emerging opportunity. iv. Encourage the proper mix of services (eg - Restaurants, coffee shops, day care, etc.) to serve residents, businesses, and employees. 	City of Newton, EDC, City of Watertown	Medium, Mid-Term	Staff Time	Total commercial square feet in Charles River Mill District.
2.D.	Realign the Wells Avenue Business Park	<ul style="list-style-type: none"> i. Implement the recommendations from the Wells Ave Vision plan including creating a secondary entrance/exit. ii. Increase the height restrictions to allow for additional growth. iii. Allow for a variety of non-housing (gyms, restaurants, cafes, personal services, etc.) and create additional amenities for businesses and workers. iv. Improve the quality of the roads, sidewalks, lighting, seating, signage, and general appearance of the Wells Avenue Business Park for all users. 	City of Newton, EDC	Medium, Mid-Term	Minimal Staff Time	Occupancy in Wells Ave Business Park
2.E.	Revitalize Washington Street	<ul style="list-style-type: none"> i. Continue to engage the community in the Washington Avenue Corridor Visioning and Zoning process and direct development to align with community vision. ii. Make physical improvements and transportation related improvements that align with the vision identified. 	City of Newton, EDC	Medium, Mid-Term	Moderate Staff Time	Number of community engagement sessions, Total number of commercial square footage

Appendix A

2.F.	Develop a vision plan for Newton Centre	<ul style="list-style-type: none"> i. Complete a full market analysis to identify the specific opportunities for Newton Centre, including community infrastructure. ii. Engage community and neighbors in the process to allow for feedback on potential growth, use types, new projects, and investments. iii. Amend zoning to be consistent with vision. iv. Limit the number of banking institutions to diversify mix of business. v. Encourage building second and third floors on existing building for office and residential. vi. Encourage more co-working space. 	City of Newton, EDC	Medium, Mid-Term	Minimal Staff Time	Completion of market analysis, Zoning review complete
2.G.	Focus development of larger villages as regional centers for business and retail	<ul style="list-style-type: none"> i. Focus on creating a vibrant environment in the larger villages, especially those with mass transit, through attraction of restaurants, retail, housing, and office/co-working space. Review all zoning regulations to ensure they accommodate an increase in square footage of development that is in line with the community goals for each village. ii. Design parking recommendations to ease congestion and make it easier for businesses and residents. 	City of Newton	High, Mid-Term and ongoing	Minimal Staff Time	Square feet of commercial use within village districts

Appendix A

Goal 3: Support the start-up, growth, stability, and vitality of businesses and entrepreneurs in Newton.

Rationale: By supporting entrepreneurs and businesses, Newton will grow its tax base, create new economic opportunities for all, and build vibrancy of villages and commercial corridors.

	Objective	Actions	Lead and Partners	Priority and Timeframe	Resources	Measures for Progress and Success
3.A.	Create a business environment in Newton that provides more support for small and local businesses	<ul style="list-style-type: none"> i. Create a regular communication system to ensure easy access of information related to business resources, training programs, and support that is available digitally and in hard copy. ii. Establish land use policies that encourage or require affordable rent for locally-owned retail establishments in targeted locations throughout Newton. iii. Partner with the Chamber, higher education, and other organizations to offer networking events for small businesses and entrepreneurs for both partnership development and to create a support system. Use events to highlight service providers that are well versed in the challenges facing small businesses in Newton. iv. Make changes to zoning code to ensure co-working, incubator, and makers spaces are allowed as a right within targeted areas. v. Continue to engage with the N2 Innovation District and collaborate on efforts that will highlight Newton as attractive and open for business. vi. Identify funding sources for businesses and property owners to work with enforcement officials around improvements to bring buildings up to code. vii. Ensure zoning code allows home based businesses with appropriate regulations to preserve neighborhood character. 	City of Newton, EDC, Chamber of Commerce	High, Short Term and ongoing	Moderate Staff Time	Number of businesses in Newton
3.B.	Leverage the Economic Development Commission	<ul style="list-style-type: none"> i. Use the Economic Development Commission as a partner in implementation of the Economic Development Action Plan. ii. Continue to have the EDC weigh in on City of Newton matters related to or impacting business and economic development. iii. Use the EDC to communicate and work with the village and corridor stakeholders to understand and plan for how their goals and objectives fit into the Economic Development Action Plan. 	EDC	High, Short Term and ongoing	Minimal Staff Time	Number of actions implemented.
3.C.	Improve the external marketing of Newton's business environment	<ul style="list-style-type: none"> i. Create a more professional economic development website with web-based applications and GIS platforms. ii. Update the economic development website to make it easier to access. Include targeted demographic, economic and workforce data, infrastructure availability, and contact information. iii. Create a targeted bio/life sciences landing page that has marketing material targeted towards developers and businesses that highlight the workforce skills and qualifications of residents, available space and any shovel ready sites, Gold Bio-Ready Rating, and the ease of the process. iv. Create a workforce landing page that describes the workforce and why Newton is a good place to do business. v. Create a retail/demographic landing page that describes why Newton is a good place to open a store. vi. Enhance the City of Newton's commercial real estate connection services through use of MLS listing, tracking of available space, development of web-based applications, and redesign of the Commercial Real Estate Connection page. vii. Increase the marketing budget as resources and demand allows. 	City of Newton, EDC, Consultant	High, Immediate and ongoing	\$50,000 for initial website upgrade plus \$10,000 per year for maintenance	Number of visits to the websites
3.D.	Better understand and provide more support to existing businesses by expanding Newton's business visitation program.	<ul style="list-style-type: none"> i. Implement a formal Business Retention and Expansion program, and partner with an organization such as the Regional Chamber. Work with partner organizations to create a base list of questions for all contacts and a central point for documentation of the visit to make sure all information is shared and follow-up conducted. ii. Continue to create a schedule and priority list for what companies to conduct visitation with. Focus efforts on the larger businesses first with regular integration of the smaller businesses that have potential to grow. iii. Review the pre-visit survey to identify topics for discussion, conduct visit, track information and issues, and follow-up site visits with responses back to the business. Input all data and information in a digital system or platform to keep track of any necessary follow-up. Use information to address immediate issues through referral or immediate action and/or identify themes and provide recommendations to the City of Newton. 	City of Newton, EDC, Chamber of Commerce	High, Short Term and ongoing	Moderate Staff Time	Number of businesses visited each year

Appendix A

3.E.	Implement policies to support small retailers and improve their ability to remain viable.	<p>i. Recognize historic businesses as special Newton assets by creating a registry of long-established small retail businesses and evaluate using this information to design a financial assistance program.</p> <p>ii. Consider employing small business friendly zoning that preserves and increases supply of small retail spaces, and includes a business diversity ordinance.</p> <p>iii. Work to engage landlords in discussions around economic development issues in villages and the role that they play in supporting small retail.</p> <p>iv. Create opportunity for local Newton businesses in government properties when appropriate.</p>	City of Newton, EDC, Chamber of Commerce, Neighborhood Area Councils	High, Immediate and ongoing	Extensive Staff Time	Number of locally owned small retail establishments in Newton.
3.F.	Expand capacity of Newton Innovation Center (NIC)	<p>i. Clarify the purpose and focus of the Center, including who it is trying to serve and why, and what goals and objectives Newton is trying to accomplish. Focus on entrepreneurs and businesses with employees who live and work in Newton or at least have expressed interest in growing in Newton outside of the NIC.</p> <p>ii. Actively look for a larger building closer to more restaurants, coffee shops, entertainment, small offices, and mass transit.</p> <p>iii. Establish guidelines for accepting and graduating clients/tenants connected to the purpose, goals and objectives. Make clients and tenants apply and then base acceptance on a case-by-case basis using the guidelines.</p> <p>iv. Develop and implement a more formal evaluation and metric system specifically to show progress towards meeting goals and objectives. Report results annually to the EDC and City of Newton.</p> <p>v. Expand the focus to include small business services (regardless of sector) for existing Newton businesses.</p> <p>vi. Increase visibility through social media, stories, and the Website.</p>	City of Newton, EDC, Chamber	High, Immediate	Extensive Staff Time	Number of companies in NIC, Number of companies leaving NIC and staying in Newton
3.G.	Implement regular opportunities for feedback from businesses in the villages and corridors	<p>i. Run a series of round-table discussions in each of the villages to gather information from landlords, property owners, business owners and residents about what they want for their village. Use these conversations to focus on identifying priority projects, specific improvements, opportunities to establish a unique village, and what business owners need. Assess what citizens and businesses are interested in committing their time and efforts to.</p> <p>ii. Identify what is needed from the City of Newton to make priority projects happen in terms of funding, support, and education, and provide this information to village representatives following round-table discussions.</p>	Mayor, City of Newton, EDC, Neighborhood Area Councils	High, Short Term and ongoing	Staff and volunteer time	Number of events held, Number of attendants
3.H.	Target growth sectors based on Newton's strengths - bio/life sciences; healthtech; professional and technical services (including IT)	<p>i. Integrate tactics geared specifically towards these sector opportunities into business expansion and attraction efforts. Identify Stage 1 and 2 companies (1-10 employees) looking to grow but not necessarily wanting a City of Boston location.</p> <p>ii. Update website to reflect information on economic development related to these targets and tactics. Identify, highlight, and promote success stories of companies in Newton in these targeted sectors through social media, press releases, and newsletter communications.</p> <p>iii. Work with Newton North High School and Newton South High School to create internships, career pathways, and other workforce development systems to prepare students for potential careers or business opportunities.</p> <p>iv. Work with Chamber and regional partners on coordinating attraction efforts.</p>	City of Newton, EDC, School District	Medium, Short Term	Moderate Staff Time	Number of businesses in targeted industries
3.I.	Create an inventory of funding sources and financing tools	<p>i. Inventory all the funding sources and resources available to businesses in Newton for a variety of issues including mentoring, capital costs, training, retaining, retraining, etc. Make this information available on the website and update regularly. Look to inventory Small Business Assistance programs, low interest loan options, grant programs, and other alternative financing tools. Consider having EDC play a role in this effort.</p> <p>ii. Reach out to residents of Newton to consider establishment of a Newton-specific angel investment fund to support entrepreneurs and start-ups who want to stay and grow in Newton. Engage existing investors and businesses in Newton and highlight the benefits of growing and keeping successful businesses local. Align this effort with the strategies and efforts for the NIC.</p>	City of Newton	Medium, Mid-Term	Minimal Staff Time	Inventory of financial tools, Creation of a DIF or TIF district

Appendix A

Goal 4: Make the development process more predictable and efficient including community consensus and refinement of the review process.

Rationale: Enhancing the efficiency of the development process, while at the same time respecting the wishes of the community, will create a more positive business environment and attract additional development to Newton.

	Objective	Actions	Lead and Partners	Priority and Timeframe	Resources	Measures for Progress and Success
4.A.	Create positive, community-based conversations around the future of Newton	i. Engage villages residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future. ii. Find ways to engage the residents of Newton in regular positive, open discussions around the core issues facing Newton including diversity, affordability, residential growth, inclusion, local initiatives and funding for projects. Make these conversations ongoing through multiple channels and use the information gathered to guide economic development in the direction desired by the community.	City of Newton, EDC, Neighborhood Area Councils	High, Immediate and ongoing	Moderate Staff Time	Number of events and sessions held
4.B.	Improve the development review process	i. Improve the existing one stop shop within Newton to assist with larger projects and act as a liaison through the review process. ii. Improve and possibly streamline procedures for engaging the community around large projects that are being proposed. Engage developers early in community discussions to identify issues and have fewer delays. iii. Implement a customer service survey for applicants to identify areas for improvement. Implement recommended changes as appropriate.	City of Newton, EDC	High, Immediate and ongoing	Moderate Staff Time and Salary	Development review process time,
4.C.	Review all land use regulations and development policies	i. Complete the zoning redesign project and ensure regulations are predictable and align with stated goals of the community around economic development, livability, diversity, density, and inclusion. Create guidelines to grow the commercial tax base and enhance vibrancy. Focus on core commercial areas and village centers, particularly those areas with multi-modal transportation options and existing infrastructure. ii. Focus zoning redesign on making development more predictable and easier in places where it is appropriate. iii. Reduce or eliminate parking requirements for ground floor uses in village centers. iv. Provide the public and decision makers better information about the fiscal impact of land use decisions.	City of Newton	High, Immediate	Moderate Staff Time	Complete the re-zoning project
4.D.	Improve development review process to create more walkable developments in areas close to Newton's transit assets	i. Use zoning update process to clarify regulations for more walkable villages and commercial corridors and to consider parking requirements in context. ii. Require analysis of transportation options as part of development analysis to understand impacts. iii. Streamline design review process to make it predictable and efficient for applicants. iv. Create a transportation fund, where developers can pay for site context improvements or for specific elements to be implemented in the capital improvement program.	City of Newton	High, Immediate	Moderate Staff Time	Zoning update

Appendix A

Goal 5: Maintain and enhance the special qualities of Newton while improving transportation throughout Newton for residents, businesses, and visitors.

Rationale: Quality of place is an important factor for economic development and specifically business and talent attraction. The City of Newton offers residents and businesses a high quality of place. In order to maintain and enhance this quality of place, there are some improvements that can be made in village centers and throughout Newton.

	Objective	Actions	Lead and Partners	Priority and Timeframe	Resources	Measures for Progress and Success
5.A.	Promote multimodal transportation safety and comfort in villages and neighborhoods	<ul style="list-style-type: none"> i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers. ii. Expand placemaking and beautification measures at street level to promote walkability. iii. Implement slow traffic zones where needed. iv. Invest in transit and cycling networks and services to serve younger workforces that want alternatives to commuting by car. Specifically, focus on linking gaps between mass transit services and bike paths and employment centers. 	City of Newton	High, Short Term and ongoing	Capital Investment	Number of improvements made
5.B.	Use shared parking to reduce parking footprint in village centers	<ul style="list-style-type: none"> i. Update zoning policy to enable shared parking exceptions. ii. Assist willing property owners in drawing up and implementing joint agreements that would allow for shared parking opportunities. iii. Establish and adopt a parking availability goal (could be village-wide or sub areas) iv. Regularly evaluate supply and demand of public and private parking use to evaluate needs and compliance with goal. v. Use supply and utilization data to examine the right amount of parking as part of future developments. vi. Use parking technology to encourage motorists to park in the most appropriate places. 	City of Newton	High, Short Term and ongoing	Minimal Staff Time	Number of shared parking agreements
5.C.	Comprehensively evaluate private shuttle routes that operate to create a more inclusive and comprehensive community transit system	<ul style="list-style-type: none"> i. Partner with operators to develop a mutually-beneficial system between private and institutional shuttles while also filling needed gaps in service. ii. Partner with adjacent municipalities to create sub-regional service. iii. Promote and incentivize ridership. 	City of Newton, Operators	High, Short Term	Minimal Staff Time	Number of partnerships established, Number of riders
5.D.	Focus on maintaining the character and unique feeling of the villages while supporting economic vibrancy	<ul style="list-style-type: none"> i. City of Newton representatives should continue to regularly visit businesses and attend neighborhood meetings to identify concerns and challenges to the business environment and how small businesses can be supported. Work with residents to identify any issues or concerns that impact their quality of life and their ability to interact at the neighborhood level. ii. Invest in public infrastructure, streetscape improvements, street furniture, parks, and green space to create opportunities for increased interactions among neighbors and walkability. iii. Work cooperatively with businesses and residents to create small scale community gathering places (playgrounds, street furniture, etc.) events and opportunities for place making and neighborhood scale networking. 	City of Newton, Chamber of Commerce	Medium, Mid-Term	Staff Time	Number of commercial businesses in smaller village centers

Appendix A

5.E.	Enhance Newton's thriving arts community	<ul style="list-style-type: none"> i. Support the Newton Cultural Alliance and Newton Pride and engage the arts community in identifying and addressing what issues or challenges they are facing. ii. Develop a Newton Cultural Plan that outlines needs, opportunities, and specific strategies for implementation. iii. Review permitting process for art events and other events in the community. Make adjustments as appropriate to streamline requirements and make it more accessible. iv. Incorporate art into new projects such as space for artists to live or work, commissioning of pieces, and more community art experiences. v. Continue to provide matching funds to support Newton's participation in the Mass Cultural Council. vi. Work with the Chamber and the Economic Development Planner to continue to connect developers with the art community for engagement and strategizing. 	Newton Cultural Alliance, Chamber of Commerce	Medium, Mid-Term	Minimal Staff Time and Financial Resources	Completion of a Newton Cultural Plan
5.F.	Create initiatives that highlight and promote the unique aspects and quality of life of Newton	<ul style="list-style-type: none"> i. Enhance the use, appreciation, and protection of the Charles River by attracting water enhanced and water based businesses. Implement recommendations identified in the N2 Innovation District Plan to develop trail connections along the Charles River to create a "river walk." Repurpose the unused rail bridge across the river between Christina Street and the river walk for pedestrian access. Expand infrastructure for canoeing and kayaking in the Charles River, such as additional boat launches. Market these recreational opportunities to residents, employees, and visitors. Highlight access and view points to incorporate the Charles into the day-to-day life of Newton residents and workers. ii. Invest in the gateways at the main "entrances" to Newton including signs, planters, street art, and other techniques to engage those who are passing through and ensure that they know they are arriving in Newton, a special city. iii. Enhance the unique Newton feel of each village and commercial corridor with signage, benches, light fixtures, planters, art, etc. iv. Work cooperatively with business and residents to create small scale community gathering places (playgrounds, street furniture, etc.) events and opportunities for place making and neighborhood scale networking. 	City of Newton, N2	Medium, Mid-Term	Staff Time and Moderate Investment for Gateways	Reuse of the unused rail bridge, Amount of investment in infrastructure for river use, Number of gateway improvements

Appendix B

City of Newton Economic Development Plan

Implementation Priorities

HIGH PRIORITY

1. EXPAND CAPACITY OF NEWTON INNOVATION CENTER (NIC) (3.F)

- i. Narrow the purpose and focus of the Center, including who it is trying to serve and why, and what goals and objectives Newton is trying to accomplish.
- ii. Actively look for a larger building closer to more restaurants, coffee shops, entertainment, small offices, and mass transit.
 - *Note:* This initiative would be a joint effort with the Chamber and Cambridge Innovation Center.
 - *Budget implications:* This action could utilize existing staff capacity and resources. However, resources may be needed for a new building.

2. IMPROVE THE EXTERNAL MARKETING OF NEWTON'S BUSINESS ENVIRONMENT (3.C)

- i. Create a more professional economic development website with web-based applications and GIS platforms.
 - *Budget implications:* There will be initial set up costs and annual operating costs (approximately \$10,000).
- ii. Update the economic development website to make it easier to access. Include targeted demographic, economic and workforce data, infrastructure availability, news and events and contact information.
 - *Budget implications:* This initiative may require additional staff or staff time to handle updating with data and information on a regular basis.

3. INCREASE LAB SPACE IN NEWTON TO CAPITALIZE ON HIGHLY SKILLED WORKFORCE WITH SCIENCE BACKGROUND AND REGIONAL ECONOMIC TRENDS. (1.A) AND INCREASE OFFICE SPACE IN NEWTON INCLUDING COWORKING SPACE TO ATTRACT AND RETAIN COMPANIES AND INCREASE THE COMMERCIAL TAX BASE. (1.B)

- i. Identify a corridor or collection of parcels that will be geared towards lab space and rezone as necessary to encourage development to that area.
 - *Budget implications:* Initiative will require additional staff or staff time.
- ii. Look for opportunities to encourage new commercial growth including office and co-working space in new development and expansions.
 - *Budget implications:* Initiative may require additional staff or staff time.

4. CREATE A BUSINESS ENVIRONMENT IN NEWTON THAT PROVIDES MORE SUPPORT FOR SMALL AND LOCAL BUSINESSES (3.A) AND IMPLEMENT POLICIES TO SUPPORT SMALL RETAILERS AND IMPROVE THEIR ABILITY TO REMAIN VIABLE. (3.E)

- i. Develop a regular communication system to ensure easy access of information related to business resources, training programs, and support that is available digitally and in hard copy.

- *Budget implication:* Integrate initiative with website changes identified above and create regular online communication via newsletter to business (quarterly). Will require staff time to prepare plus the annual subscription cost platform.
- ii. Establish land use policies that encourage or require affordable rent for locally-owned retail establishments in targeted locations throughout Newton.
 - *Budget implication:* Initiative will require staff and volunteer time to develop the policy.
- iii. Recognize historic businesses as special Newton assets by creating a database of long-established small retail businesses and evaluate using this information to design a financial assistance program.
 - *Budget implications:* Integrate into the business visitation software and may require additional resources to meet the specific needs of the retailers.
- ii. Consider employing small business friendly zoning.
 - *Budget implications:* Initiative will require additional research and policy development to achieve goals

5. LEVERAGE THE ECONOMIC DEVELOPMENT COMMISSION (3.B)

- i. Use the Economic Development Commission as a partner in implementation of the Economic Development Action Plan.
 - *Budget implications:* No additional cost or staff but will require providing clear assignment to EDC.

6. BETTER UNDERSTAND AND PROVIDE MORE SUPPORT TO EXISTING BUSINESSES BY EXPANDING NEWTON'S BUSINESS VISITATION PROGRAM. (3.D)

- i. Implement a formal Business Retention and Expansion program.
- ii. Continue to create a schedule and priority list for what companies to conduct visitation with.
 - *Budget implications:* Design or subscribe to business visitation digital tools and staff time to begin to implement the program, collect and report the information, and do proper follow through.

7. IMPLEMENT REGULAR OPPORTUNITIES FOR FEEDBACK FROM BUSINESSES IN THE VILLAGES AND CORRIDORS (3.G) AND CREATE POSITIVE, COMMUNITY-BASED CONVERSATIONS AROUND THE FUTURE OF NEWTON (4.A)

- i. Run a series of round-table discussions in each of the villages to gather information from landlords, property owners, business owners and residents about what they want for their village.
- i. Engage villages residents around what they want for their local area. Include a citywide discussion around the future of Newton, and the role of "village" within the larger city as it pertains to the future.
 - *Budget implications:* Initiative may require additional staff or staff time.

8. PROMOTE MULTIMODAL TRANSPORTATION SAFETY AND COMFORT IN VILLAGES AND NEIGHBORHOODS (5.A)

- i. Enhance sidewalks, crossings, and add bike parking to increase safety, attractiveness, and usability and to support a "park once" environment to reduce extra driving in village centers.
- ii. Expand placemaking and beautification measures at street level to promote walkability.
 - *Budget implications:* To be determined based on physical improvements necessary and desired.

MEDIUM TO LONG TERM PRIORITIES

1. MONITOR DEVELOPMENT OF RIVERSIDE, NORTHLAND AND WASHINGTON STREET CORRIDOR

- i. Encourage uses that align with the goals of Newton in terms of building out co-working space/office/lab space, diversity of housing types, and diversifying and growing the tax base.
 - *Budget implications:* Initiative may require additional staff or staff time.
- ii. Engage neighbors and business community in project discussions.

2. REVIEW ALL LAND USE REGULATIONS AND DEVELOPMENT POLICIES (4.C) AND IMPROVE THE DEVELOPMENT REVIEW PROCESS (4.B)

- i. Complete the zoning redesign project and ensure regulations are predictable and align goals.
- ii. Focus zoning redesign on making development more predictable and easier in places where it is appropriate.
 - *Budget implications:* Initiative is underway and can utilize existing staff capacity and resources.

3. MAXIMIZE PARKING MANAGEMENT SYSTEMS TO ASSIST COMMERCE IN VILLAGE CENTERS (5.B)

- i. Update zoning policy to enable shared parking exceptions.
 - *Budget implications:* Initiative will require additional staff or staff time.
- ii. Assist willing property owners in drawing up and implementing joint agreements that would allow for shared parking opportunities.
 - *Budget implications:* Initiative may require additional staff or staff time from planning and legal team.
- iii. Continue to implement programs like bike share, car share and differential parking rates to reduce congestion and promote multi-modal transportation.

SUMMARY GUIDANCE ON COSTS

The specific immediate and high priority action items have been identified above based on priorities set and outlined in the matrix and additional information received from the City of Newton related to day to day work responsibilities. Additionally, we have included guidance related to the impact of these initiatives on the City's budget, including both financial and personnel resources. The budget implications can be broken into three main categories:

- 1) Direct expenditures: These are items like designing and operating a new website, upgrading GIS capabilities, and necessary costs associated with a new location of the NIC facility.
- 2) Capital budgeting: These items are multi-year longer requirements and will require incorporating the annual costs into capital budgeting. Typically, they are physical infrastructure upgrades that will need to be determined based on available funds and desires of the community.
- 3) Staff time: Many of the action items will not necessarily require additional financial resources but will require staff resources.

Appendix C:

Demographic & Economic Base Analysis

ECONOMIC DEVELOPMENT STRATEGY

CITY OF NEWTON, MASSACHUSETTS

April 2018

Prepared for:

City of Newton
1000 Commonwealth Avenue
Newton, MA 02459



120 West Avenue, Suite 303
Saratoga Springs, NY 12866

518.899.2608

www.camoinassociates.com

Table of Contents

Appendix:..... 1

Demographic & Economic Base Analysis..... 1

 About Camoin Associates..... 1

 The Project Team..... 1

Table of Contents..... 3

Executive Summary..... 1

Introduction 3

 Data Sources..... 3

 Comparison Geographies..... 3

 Comparison Geographies..... 4

 Employment Data by ZIP Code Geography..... 4

Demographic Analysis 5

 Population Change..... 5

 Age..... 6

 Unemployment Rates..... 9

 Income..... 9

 Educational Attainment..... 11

 Race/Ethnicity 12

 Nativity 13

 Commute Patterns..... 14

Economic Base Analysis..... 16

 Establishment and Job Growth by Stage..... 16

 Employment by Sector (2-digit NAICS)..... 17

 Regional Comparison..... 20

 Gross Regional Product by Sector (2-digit NAICS)..... 26

 Top Industries (4-digit NAICS)..... 27

 Self-Employment..... 30

 Top Occupations (SOC) 32

 Top Employers..... 35

Fiscal Analysis 36





Table of Tables

Table 1: Newton ZIP Codes.....	3
Table 2: Comparison of Population Growth.....	5
Table 3: 2017 Median Age	6
Table 4: Undergraduate Population	7
Table 5: Newton Population Change by Age Cohort, 2006-2016.....	7
Table 6: Newton Population Change by Age Cohort, 2006-2016.....	8
Table 7: 2017 Unemployment Rates	9
Table 8: Household Income Distribution, 2017	10
Table 9: Household Income Distribution, 2017	10
Table 10: Nativity of Population	13
Table 11: Top 10 Countries of Origin of the Foreign-Born Newton Population	13
Table 12: Top 10 Places of Work for Newton Residents.....	14
Table 13: Top 10 Places of Residence for Newton Workers.....	14
Table 14: Establishments by Stage, Boston MSA	16
Table 15: Establishments by Stage, United States.....	16
Table 16: Jobs by Stage of Establishment, Boston MSA	17
Table 17: Jobs by Stage of Establishment, United States.....	17
Table 18: Employment by Sector, 2-digit NAICS - Newton	19
Table 19: Employment by Sector, 2-digit NAICS - Boston MSA	20
Table 20: Employment by Sector, 2-digit NAICS – Massachusetts	21
Table 21: 2017 Location Quotient by Sector, 2-digit NAICS	22
Table 22: 2017 Employment Share by Sector, Regional Comparison.....	23
Table 23: 2007-2017 Percent Change in Employment, Regional Comparison.....	24
Table 24: 2017 Average Earnings*, Regional Comparison	25
Table 25: 2016 Gross Regional Product by 2-Digit Sector	26
Table 26: Top 25 Industries by Employment, 4-digit NAICS – Newton	27
Table 27: Top 25 Industries by Employment, 4-digit NAICS – Boston MSA	28
Table 28: Top 25 Industries by Employment, 4-digit NAICS – Massachusetts.....	29
Table 29: 2017 Self-Employment by Sector, 2-digit NAICS - Newton.....	30
Table 30: Top 25 Industries by Self Employed Jobs, 4-digit NAICS - Newton 2017	31
Table 31: Top 25 Occupations by Employment, 3-Digit SOC - Newton.....	32
Table 32: Top 25 Occupations by Employment, 3-Digit SOC - Boston MSA.....	33
Table 33: Top 25 Occupations by Employment, 3-Digit SOC - Massachusetts	34
Table 34: Commercial/Industrial Share of Real Property Value	36



Table 35: Commercial and Industrial Share of New Construction Value.....37



Table of Figures

Figure 1: Comparison Geographies	4
Figure 2: Employment Data ZIP Code Geography.....	4
Figure 3: Newton Population, 1960-Future	5
Figure 4: Share of Population by Age Cohort, 2017	6
Figure 5: 2017 Median Household Income	9
Figure 6: Share of Households by Income, 2017.....	10
Figure 7: Educational Attainment, 2015: Population Age 25+	11
Figure 8: Share of Population by Race and Hispanic Origin, 2017	12
Figure 9: Top Places of Work for Newton Residents	15
Figure 10: Top Places of Residence for Newton Workers.....	15
Figure 11: Residential Share of Tax Levy and Property Value, 1983-2018.....	36



Executive Summary

As part of the initial research to create an economic development strategy for the City of Newton, Camoin Associates gathered data to fully understand the demographic and economic existing conditions. This information will be used to inform the subsequent steps of the analysis including the existing economy report presentation, strategy development, and action plan matrix.

Demographic Analysis

- After decades of limited growth, the city's population has increased 7.5% in the last ten years. Census population estimates for 2016 place Newton's population at 89,045, its highest point since the 1970s. Much of this growth can be attributed to Gen Xers (those born between 1962 and 1981) moving into Newton and starting families. In recent years, these in-migrants have tended to be on the older end of this range, likely as a result of high housing costs preventing younger, less-established families from moving into the city.
- Newton has a high share of seniors (those 60 years and older) relative to the region and state. The proportion of residents in this age group has increased from 17.2% in 2006 to 24.5% in 2016, as existing residents continue to age. Meanwhile, the young adult age groups (20 to 39) shrank from 25.0% to 20.4%, and continue to be underrepresented in Newton compared to the region. This presents an opportunity to the expand housing stock geared towards both seniors and young adults, groups that tend to have similar housing preferences in terms of propensity to rent, amount of space required, desire for walkability, and lower housing budgets.
- Median household income in Newton is very high compared to the other geographic locations analyzed. In 2017, Newton median household income stands at just over \$129,000, 63% higher than the Boston MSA median income. Because of this, Newtonians have disposable income to support niche markets and service providers not present in more moderate income communities.
- Newton residents have a very high level of education. Seventy-eight percent (78%) of Newton's 25-and-up population has at least a bachelor's degree. Half (50%) of Newton residents have a graduate or professional degree. This points to a high level of human capital that can be harnessed when growing and attracting high-skill industries in the city.
- Newton's foreign-born residents comprise 21% of the city's population. By contrast, only 16% of the Boston MSA population is foreign-born. This indicates that Newton is an attractive community for highly educated, high-income immigrants with skills and expertise that can be leveraged to grow the local economy.
- With about a third of residents commuting into Boston, the city is the top commute destination of Newton residents. About 85% of Newton residents commute out of Newton daily and 89% of employees at Newton establishments commute in from outside Newton. This high degree of cross-commuting indicates a mismatch between housing and job options and presents an opportunity to build housing to meet the needs of the city's workers, as well as attracting companies that can take advantage of the skills of existing residents and allow residents to work closer to home.



Economic Base Analysis

- Between 2006 and 2016, the number of establishments in the Boston MSA increased by 61.8%, compared to 63.6% nationally. Small firms are driving the largest proportion of growth in the MSA, growing by 104,000 and accounting for 70% of the overall increase in number of establishments. Small firms also contributed the largest growth in number of jobs over the ten-year period (2006-2016) adding 436,917 jobs and making up over half all job growth. This large increase reflects an atmosphere of entrepreneurship and self-employment within the region that can be built upon and supported with various economic development initiatives.
- Job growth in Newton is outpacing the MSA and the state. From 2007 to 2017 jobs increased by 14%, compared to 8% in Massachusetts and 9% the Boston MSA. In the next decade, jobs in Newton are expected to increase by 9%, based on regional and national historic trends in the industries present in Newton. Average earnings per job in Newton are about \$71,000, lower than both the MSA (\$84,000) and state (\$78,000). Overall job growth indicates a prosperous economic climate, an ability to support a wide variety of jobs, and an opportunity to attract higher-wage employers to the city.
- The sectors growing the most (and providing the most jobs) in Newton are Health Care and Social Assistance; Educational Services; and Professional, Scientific and Technical Services. The sectors contracting are Wholesale Trade; Finance and Industry; and Retail Trade. Educational Services and Professional Services, in particular, tend to be higher-skills, higher-wage jobs, that are better aligned with the city's resident labor force.
- The community's most highly concentrated sectors include Educational Services; Arts, Entertainment and Recreation; and Real Estate and Rental Leasing. These sectors have a higher proportion of employment when compared to the nation. Educational Services accounts for 17.3% of the city's GRP, the highest of any sector.
- Nine percent of Newton jobs are held by self-employed workers. Arts, Entertainment and Recreation account for largest share of self-employed workers at 20.9%, followed by Professional, Scientific and Technical Services, representing 17.2% of all self-employed. The strong presence of self-employed workers in Newton points to potential initiatives to support entrepreneurship, help grow start-ups, and cultivate local businesses.

Fiscal Analysis

- As of 2018, residential properties account for 82.3% of the City of Newton's total tax levy, and 89.9% of total assessed value. Compared to its seven neighboring communities, Newton has the second lowest combined commercial and industrial property values as a share of total real property value. Lagging commercial development relative to residential indicates that the city's residents may bear an increasing share of the property tax burden into the future. The 2018 commercial tax rate in Newton is 20.62 per thousand of assessed value, compared to the residential tax rate of 10.82.

Introduction

As part of the initial research for the City of Newton Economic Development Strategy, Camoin Associates gathered and analyzed demographic and economic data to fully understand the existing conditions in Newton. This information will be used to inform the subsequent steps of the analysis including the existing economy report presentation, strategy development, and action plan matrix. The following report includes a socioeconomic characterization and an economic base analysis.

Data Sources

Much of the data in this report was acquired from Esri Business Analyst Online (ESRI) and Economic Modeling Specialists International (EMSI). ESRI uses the 2000 and 2010 Census as its base data. It uses proprietary statistical models and data from the US Census Bureau, the US Postal Service, and other sources to project current statistics and future trends. ESRI data are often used for economic development, marketing, site selection, and strategic decision making. For more information, visit www.esri.com.

EMSI uses data compiled from several sources, including the US Census Bureau and US Departments of Health and Labor. Using specialized proprietary processes and models, it provides estimates on current statistics and predicts future trends. Visit www.economicmodeling.com for additional information. The data used are from EMSI's Complete Employment data set, which includes both jobs covered and uncovered by unemployment insurance.¹ In other words, it includes both traditional employment and non-traditional employment such as the self-employed.² As traditional jobs have been replaced or augmented by freelance work, consulting, and self-employment, these non-covered jobs have become much more important to the economy, and EMSI provides researchers with a way to track the trends over time.

Other sources include the American Community Survey for demographic and socioeconomic data and YourEconomy.org for data on establishments by stage of growth.

Comparison Geographies

This data analysis was conducted to identify existing demographic, socioeconomic, and business, and industry conditions and trends that make up the Newton economy in comparison to the regional and state economies. Data was collected for the following geographies: The municipalities of Newton, the Boston metropolitan statistical area (MSA),³ and the Commonwealth of Massachusetts. Where appropriate, we also compare against the United States.

Most demographic and socioeconomic data analyzed for this report is available at the county subdivision level, i.e. tabulated for the municipality of Newton. The exception is the employment data gathered from EMSI, for which the smallest available geography is the ZIP code. For the purpose of presenting employment data for Newton, the municipal boundaries were approximated using 10 ZIP codes. These ZIP codes are listed in Table 1. As shown in Figure 2, the 10 ZIP codes used mostly align with municipal boundaries, with the exception of 02467 Chestnut Hill, which encompasses a large part of the Town of Brookline, as well as a small piece of the City of Boston. It is important to note that jobs located in these other municipalities are included in the EMSI employment data.

Newton ZIP Codes

ZIP Code	Postal Area Name
02458	Newton
02459	Newton Centre
02460	Newtonville
02461	Newton Highlands
02462	Newton Lower Falls
02464	Newton Upper Falls
02465	West Newton
02466	Auburndale
02467	Chestnut Hill
02468	Waban

Table 1: Newton ZIP Codes

¹ Jobs covered by unemployment insurance are tracked by the Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW). EMSI uses Bureau of Economic Analysis (BEA) data as its primary benchmark. In addition to jobs covered by QCEW, BEA data attempt to count all types of paid employment.

² Self-employed includes sole proprietorships and partnerships.

³ As defined by the U.S. Office of Management and Budget, the Boston MSA (officially, the Boston–Cambridge–Newton MSA) is comprised of seven counties in Massachusetts and New Hampshire that have a high degree of social and economic cohesion with the Boston urban core. These counties include Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties in Massachusetts; and Rockingham and Strafford counties in New Hampshire.



Comparison Geographies

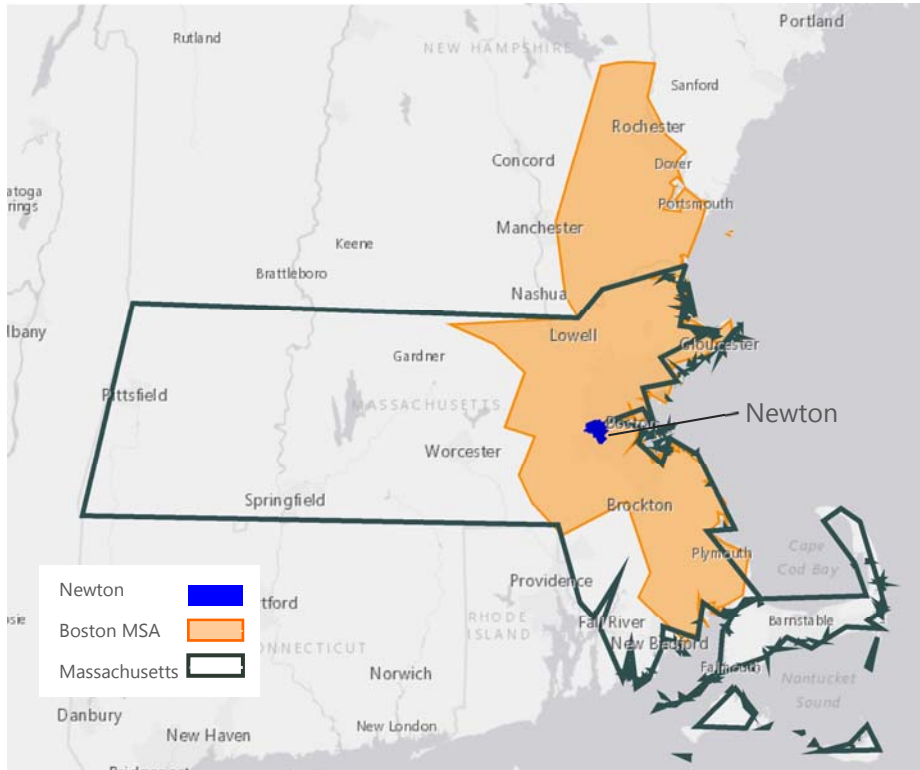


Figure 1: Comparison Geographies

Employment Data by ZIP Code Geography

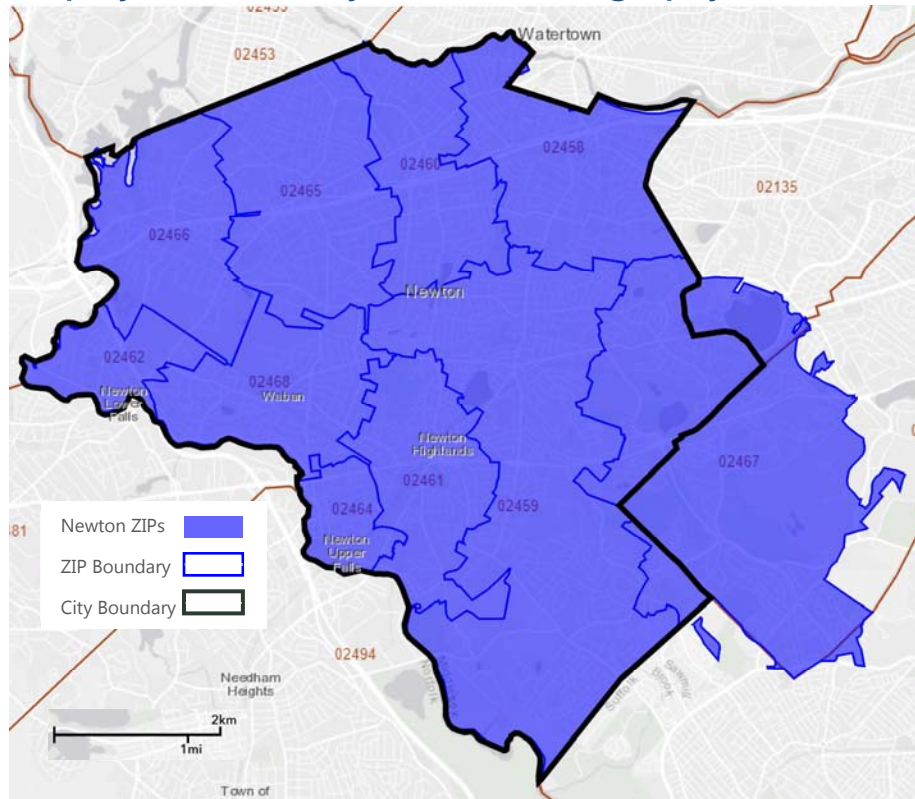


Figure 2: Employment Data ZIP Code Geography

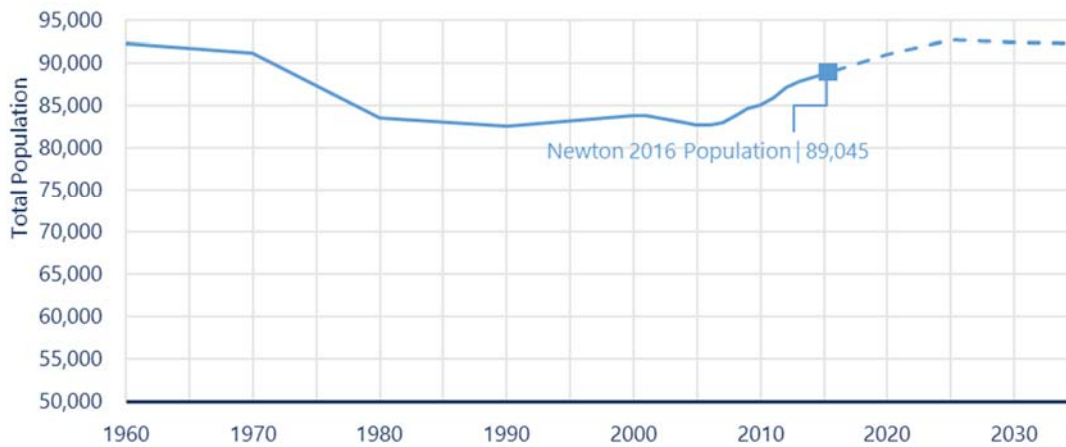
Demographic Analysis

In order to identify challenges and opportunities for future economic development initiatives, it is important to understand the current socioeconomic conditions in Newton. The following section highlights some important demographic and socioeconomic characteristics.

Population Change

The resident population of Newton has seen declines in the past, but is regaining momentum and is projected to grow. Newton reached its all-time peak population of over 92,000 in 1960, from which it declined by almost 10% through 1980. From 1980 through the mid-2000s, the population remained flat, hovering around 83,000. After decades of almost no growth, the city's population has increased 7.5% in the last ten years (between 2006 and 2016). Census population estimates for 2016 place Newton's population at 89,045, its highest point since the 1970s. The population is projected to continue to increase over the next ten years.⁴

Newton Population, 1960–Future



Source: Decennial Census, Census Population Estimates Program, projections from UMass Donahue Institute

Figure 3: Newton Population, 1960-Future

Since 2006, the rate of growth in Newton is similarly paced with national growth rates and that of the Boston MSA and Massachusetts.

Comparison of Population Growth

	2006	2011	2016	Pct. Change 2006–2011	Pct. Change 2011–2016
Newton	82,810	85,897	89,045	3.7%	3.7%
Boston MSA	4,455,217	4,608,410	4,794,447	3.4%	4.0%
Massachusetts	6,437,193	6,587,536	6,859,819	2.3%	4.1%
United States	299,398,485	311,591,919	325,719,178	4.1%	4.5%

Source: Decennial Census, Census Population Estimates Program

Table 2: Comparison of Population Growth

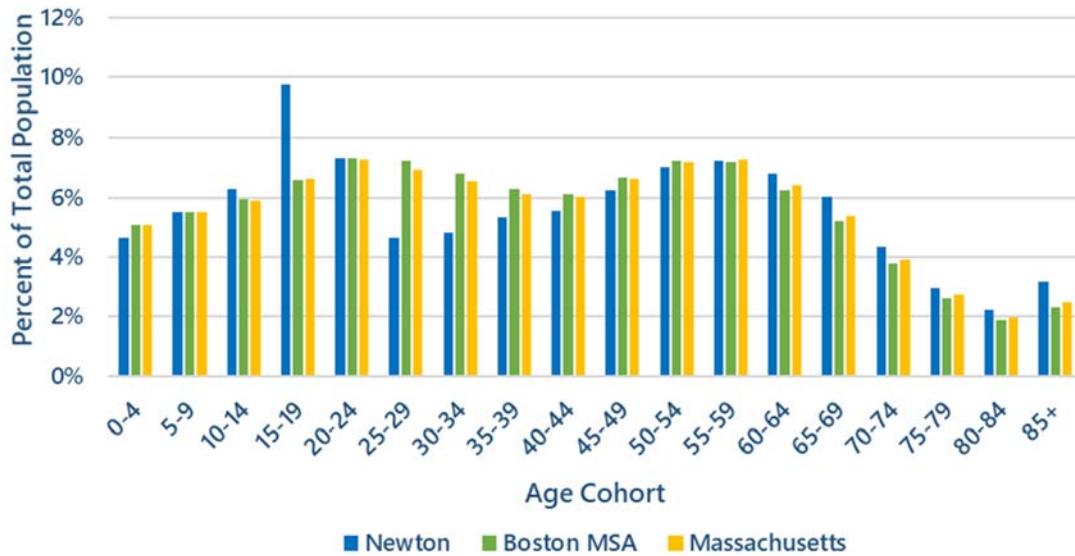
⁴ UMass Donahue Institute



Age

When examining age distribution (Figure 4) Newton has a significant lack of young adults (25 to 40-year-olds) relative to the MSA and state overall. This age distribution is in part a function of the housing market, which is skewed toward single-family homes and has limited affordable options for young adults. Newton also has a slightly higher share of seniors age 60 and over as compared to the other geographies. Despite this difference in age distribution, the median age of Newtonians is similar to the MSA, state, and nation (see Table 3).

Share of Population by Age Cohort, 2017



Source: Esri

Figure 4: Share of Population by Age Cohort, 2017

2017 Median Age

	Newton	Boston MSA	Massachusetts	United States
2017 Median Age	41.4	39.4	40.0	38.2

Source: Esri

Table 3: 2017 Median Age

The 15-to-19-year-old cohort stands out in Figure 4, with this age group accounting for a significantly higher share of the population relative to the state and MSA. This is due to the high number of younger undergraduates (18- and 19-year-olds) living on campus at colleges within Newton. Boston College (BC), Lasell College, and Mount Ida College have a total of approximately 12,500 undergraduate students enrolled, and of those, 10,000 live on campus. While Lasell and Mount Ida are completely within Newton’s city limits, a portion of Boston College’s Chestnut Hill campus is located within Boston. Many of BC’s upperclassmen (juniors and seniors) are housed in the Boston portion of the campus, and thus, are not counted in Newton’s population. Freshman and sophomores, however, tend to live in BC dormitories located within Newton.

The three colleges collectively account for approximately 6,300 on-campus undergraduate residents, or about 7% of the city’s total population. Of those, an estimated 3,900 are college freshmen and sophomores, who make up

about 45% of residents in Newton's 15-to-19 cohort, with high school students accounting for much of the remainder. College students (primarily juniors and seniors) make up about 38% of the city's 20-to-24 cohort.

2017 Undergraduate Population

	Undergraduate Population	Pct. On Campus	Number On Campus	On Campus in Newton
Boston College	9,309	84%	7,820	4,119
Lasell College	1,788	75%	1,341	1,341
Mount Ida College	1,357	62%	841	841
Total	12,454		10,002	6,301

Source: Boston College, Lasell College, Mount Ida College websites

Table 4: Undergraduate Population

Table 5 compares Newton's population by age between 2006 and 2016. The senior age group has shown significant growth over this period, with the number of residents over 60 jumping from 17.2% in 2006 to 24.5% in 2016. Meanwhile, the young adult age groups (20 to 39) shrank from 25.0% to 20.4%. While the 25-to-29 age group continues to represent a small share of the overall population relative to the state and MSA, it is the only young adult group to expand over this period.

Newton Population by Age, 2006-2016

Age Group	2006 Pop'n	2011 Pop'n	2016 Pop'n	2006, % of Total	2011, % of Total	2016, % of Total	Change, '06-'16	% Change, '06-'16
Under 5 years	4,803	4,896	4,808	5.8%	5.7%	5.4%	5	0.1%
5 to 9 years	5,548	4,295	5,521	6.7%	5.0%	6.2%	(27)	(0.5%)
10 to 14 years	4,969	4,810	6,589	6.0%	5.6%	7.4%	1,621	32.6%
15 to 19 years	8,364	7,387	8,637	10.1%	8.6%	9.7%	274	3.3%
20 to 24 years	7,950	7,129	6,322	9.6%	8.3%	7.1%	(1,628)	(20.5%)
25 to 29 years	2,401	2,920	3,651	2.9%	3.4%	4.1%	1,249	52.0%
30 to 34 years	3,726	4,810	3,295	4.5%	5.6%	3.7%	(432)	(11.6%)
35 to 39 years	6,625	6,185	4,897	8.0%	7.2%	5.5%	(1,727)	(26.1%)
40 to 44 years	6,459	4,896	6,500	7.8%	5.7%	7.3%	41	0.6%
45 to 49 years	7,039	4,467	6,233	8.5%	5.2%	7.0%	(806)	(11.4%)
50 to 54 years	5,217	7,129	5,966	6.3%	8.3%	6.7%	749	14.4%
55 to 59 years	5,548	7,129	4,719	6.7%	8.3%	5.3%	(829)	(14.9%)
60 to 64 years	3,809	5,154	5,699	4.6%	6.0%	6.4%	1,890	49.6%
65 to 69 years	2,319	4,037	5,788	2.8%	4.7%	6.5%	3,469	149.6%
70 to 74 years	2,070	2,835	2,849	2.5%	3.3%	3.2%	779	37.6%
75 to 79 years	1,905	2,147	1,959	2.3%	2.5%	2.2%	54	2.9%
80 to 84 years	2,236	2,663	1,781	2.7%	3.1%	2.0%	(455)	(20.3%)
85 years and over	1,905	3,092	3,740	2.3%	3.6%	4.2%	1,835	96.4%
Total	82,810	85,897	89,045	100.0%	100.0%	100.0%	6,235	7.5%

Source: Census Population Estimates; ACS 1-Yr Estimates

Table 5: Newton Population Change by Age Cohort, 2006-2016

A look at population change by cohort birth year provides further insight into the groups that have driven Newton's recent population growth. Table 6 tracks the change in each age cohort over time in order to identify the groups that are moving into and out of Newton. The on-campus undergraduate population is removed from these figures since these students typically live in Newton only for a set amount of time and do not form households in the city.

Newton Population Change by Age Cohort, 2006-2016, Excluding On-Campus Undergraduates

Cohort Birth Year	Cohort Age in 2016	2006 Cohort Size	2011 Cohort Size	2016 Cohort Size	Cohort Change 2006-2011	Cohort Change 2011-2016	Cohort Change 2006-2016
2012-2016	Under 5 years	--	--	4,808	--	4,808	4,808
2007-2011	5 to 9 years	--	4,896	5,521	4,896	625	5,521
2002-2006	10 to 14 years	4,803	4,295	6,589	(508)	2,294	1,786
1997-2001	15 to 19 years	5,548	4,810	4,766	(738)	(44)	(782)
1992-1996	20 to 24 years	4,969	3,516	3,892	(1,453)	376	(1,077)
1987-1991	25 to 29 years	4,493	4,699	3,651	207	(1,048)	(842)
1982-1986	30 to 34 years	5,520	2,920	3,295	(2,599)	374	(2,225)
1977-1981	35 to 39 years	2,401	4,810	4,897	2,409	87	2,496
1972-1976	40 to 44 years	3,726	6,185	6,500	2,458	316	2,774
1967-1971	45 to 49 years	6,625	4,896	6,233	(1,729)	1,337	(392)
1962-1966	50 to 54 years	6,459	4,467	5,966	(1,993)	1,499	(493)
1957-1961	55 to 59 years	7,039	7,129	4,719	91	(2,410)	(2,319)
1952-1956	60 to 64 years	5,217	7,129	5,699	1,912	(1,431)	482
1947-1951	65 to 69 years	5,548	5,154	5,788	(394)	634	240
1942-1946	70 to 74 years	3,809	4,037	2,849	228	(1,188)	(960)
1937-1941	75 to 79 years	2,319	2,835	1,959	516	(876)	(360)
1932-1936	80 to 84 years	2,070	2,147	1,781	77	(367)	(289)
1931 or earlier	85 years and over	6,045	5,755	3,740	(290)	(2,015)	(2,305)
Total (Excl. On-Campus Undegs)		76,591	79,682	82,655	3,090	2,973	6,063

Note: Numbers in **bold italics** adjusted to remove on-campus undergraduates.

Source: Census Population Estimates; ACS 1-Yr Estimates

Table 6: Newton Population Change by Age Cohort, 2006-2016

Positive change in the size of an age cohort between 2006 and 2016 indicates that growth is attributable to factors beyond the simple aging of the population: net in-migration and net births. Similarly, negative change indicates net out-migration and net deaths.

Cohorts experiencing net gains in population over this period include those born between 1972 and 1981, "young Gen Xers," who were between 35 and 44 in 2016. Over 5,000 individuals in this cohort moved to Newton between 2006 and 2016 on net, with most of this in-migration occurring over the first half of this period. The growth of this generational cohort is mirrored by an increase in young children (those born between 2007 and 2016).

Since 2011, the in-migration of the younger Gen X cohort has slowed, while the in-migration of the older Gen X cohort (those born between 1962 and 1971) has reversed its decline. Meanwhile, the number of children under the age of 10 in Newton has remained steady. These trends suggest that more recently couples are moving into Newton when they are older – likely due to high housing prices – and also having children later. Gen Xers and their children have thus been the primary drivers of population growth in the city over the last decade.

The city has experienced a net out-migration of over 4,000 Millennials (those born between 1982 and 1996) between 2006 and 2016. While this could be an indication of a natural progression of Newton-based students leaving home to pursue college or career opportunities, it could also reflect a lack of opportunity for this age cohort, especially for those not on the college track. High housing costs coupled with lower wages without a degree (or early in one’s career) is likely a major reason why so many Millennials are moving out of Newton.

Perhaps more surprisingly, another age cohort showing net out-migration over this period are those who were between 55 and 59 in 2016. This may reflect a desire among empty nesters to downsize from their single-family homes once children are out of the house. Empty nesters can capitalize on high home values, opening up housing options for young families, while simultaneously finding less expensive housing outside of the city. Net declines among the oldest generations (70 years and up) are, of course, primarily due to mortality.

Unemployment Rates

The 2017 unemployment rate in Newton is lower than that of the other comparison geographies at 3.6%.

2017 Unemployment Rates

	Newton	Boston MSA	Massachusetts	United States
2017 Unemployment Rate	3.6%	5.0%	5.0%	5.5%

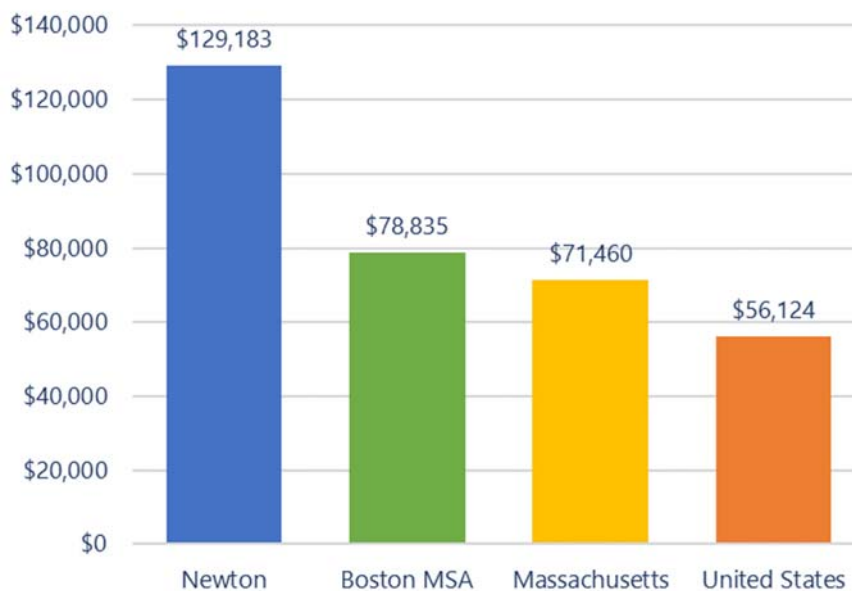
Source: Esri

Table 7: 2017 Unemployment Rates

Income

Median household income in Newton is very high compared to the other geographic locations analyzed. In 2017, Newton median household income stands at just over \$129,000, 63% higher than the Boston MSA median income and significantly higher than the US.

2017 Median Household Income



Source: Esri

Figure 5: 2017 Median Household Income

Household Income Distribution, 2017

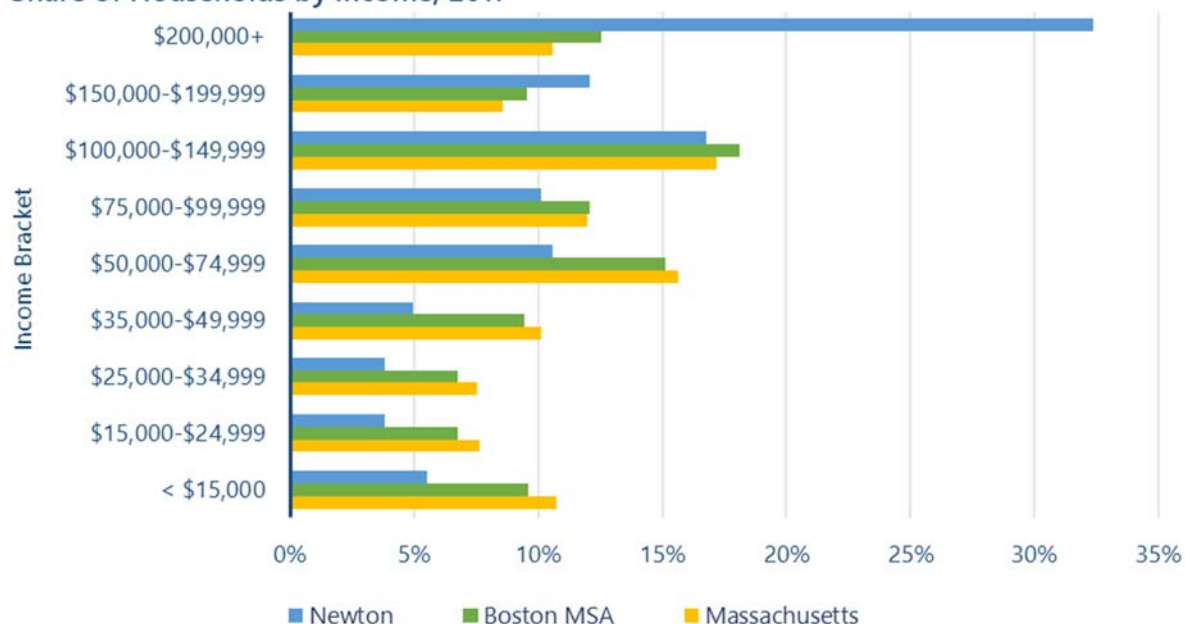
Income Range	Newton	Newton Pct.	Boston MSA Pct.	Massachusetts Pct.
< \$15,000	1,776	6%	10%	11%
\$15,000-\$24,999	1,225	4%	7%	8%
\$25,000-\$34,999	1,236	4%	7%	8%
\$35,000-\$49,999	1,596	5%	9%	10%
\$50,000-\$74,999	3,414	11%	15%	16%
\$75,000-\$99,999	3,263	10%	12%	12%
\$100,000-\$149,999	5,418	17%	18%	17%
\$150,000-\$199,999	3,892	12%	10%	9%
\$200,000+	10,441	32%	13%	11%
Total	32,261	100%	100%	100%

Source: Esri

Table 8: Household Income Distribution, 2017

Household incomes in Newton are skewed toward the highest income bracket, with 32% of households earning at least \$200,000 annually. As Table 9 indicates, this is over 10,000 households. This compares to just 13% of households in the Boston MSA and 11% in Massachusetts. This trend was also found in the 2016 Housing Needs Analysis, which found that between 2000 and 2013 Newton gained 4,200 households earning \$200,000 or more, while at the same time losing 4,700 households earning \$125,000 or less.⁵ Low, moderate, and middle-income residents being replaced by high-income residents. This declining economic diversity can result in an increasing difficulty to fill low and middle-skill jobs.

Share of Households by Income, 2017



Source: Esri

Figure 6: Share of Households by Income, 2017

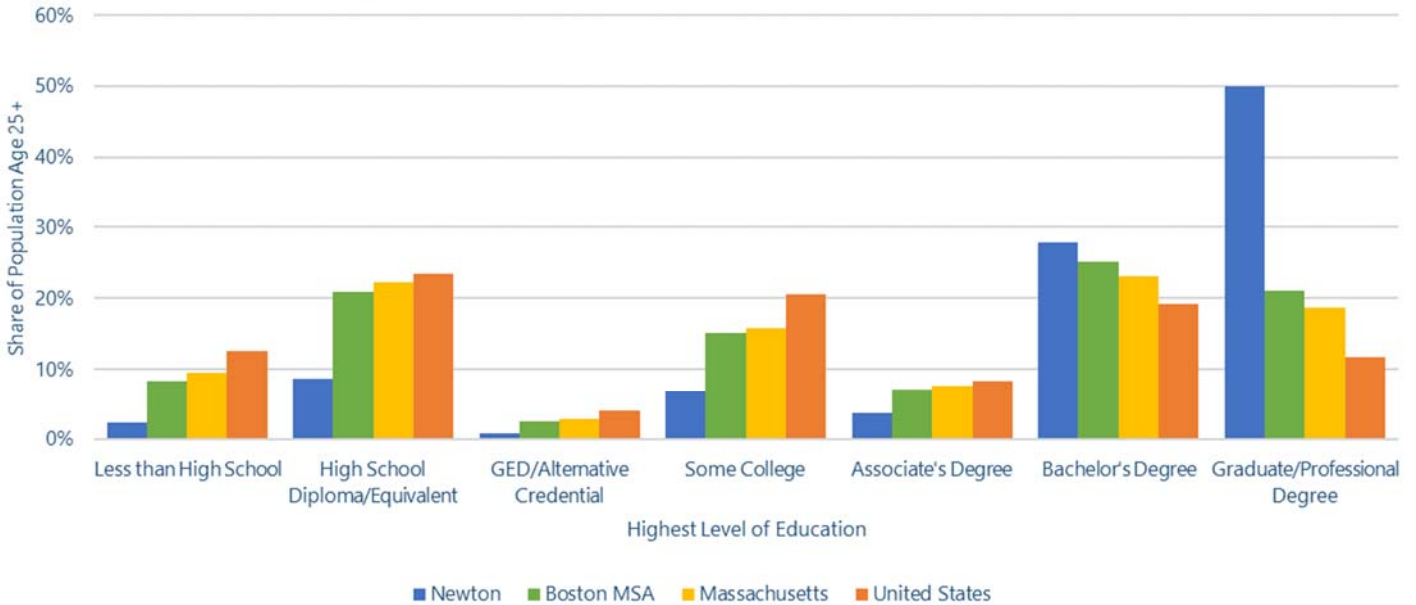
⁵ Housing Needs Analysis and Strategic Recommendations, June 2016, Housing Strategy Report, pg. 36 <http://www.newtonma.gov/civicax/filebank/documents/76450>



Educational Attainment

Newton residents have a very high level of education. Seventy-eight percent (78%) of Newton’s 25-and-up population has at least a bachelor’s degree. This compares to 46% in the Boston MSA and 42% in Massachusetts. Half (50%) of Newton residents have a graduate or professional degree. Half (50%) of Newton residents have a graduate or professional degree.

Educational Attainment, 2017: Population Age 25+



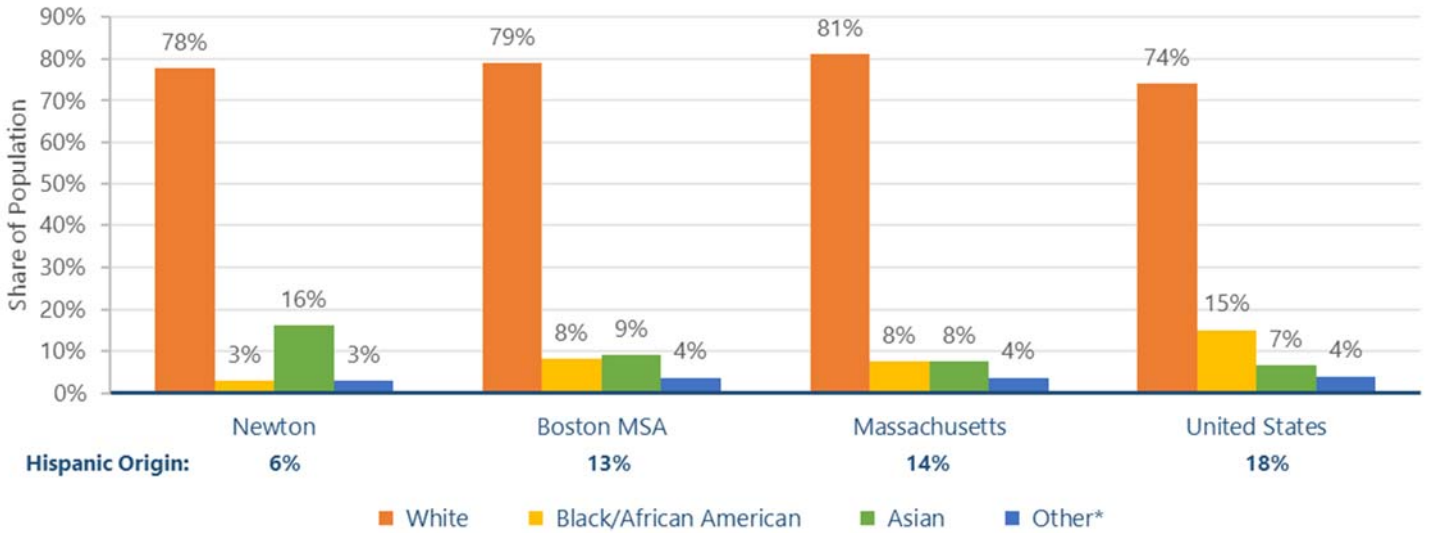
Source: Esri

Figure 7: Educational Attainment, 2015: Population Age 25+

Race/Ethnicity

Non-white residents comprise about 22% of Newton’s population compared to 21% and 20%, respectively, in the Boston MSA and Massachusetts. Newton has a significant Asian population, with 16% of residents self-identifying their race as Asian, compared to 9% in the MSA, and 8% in the state overall. Newton has disproportionately small black and Hispanic populations. Note that people who identify their origin as Hispanic can be of any race.

Share of Population by Race and Hispanic Origin, 2017



*Includes the following responses: American Indian, Pacific Islander, Some Other Race, Two or More Races

Source: Esri

Figure 8: Share of Population by Race and Hispanic Origin, 2017

Nativity

Newton's foreign-born residents comprise 21% of the city's population. By contrast, only 16% of the Boston MSA population is foreign-born. At a national level, just 13% of the population is foreign born.

Nativity of Population

	Native-Born		Foreign-Born		Total
	Population	Pct. of Total	Population	Pct. of Total	
Newton	69,433	79%	18,884	21%	88,317
Boston MSA	3,487,416	81%	815,150	19%	4,302,566
Massachusetts	5,680,682	84%	1,061,461	16%	6,742,143
United States	276,363,808	87%	42,194,354	13%	318,558,162

Source: 2016 ACS 5-Year Estimates

Table 10: Nativity of Population

Foreign-born residents of Newton hail from around the globe (Table 11). Residents born in China account for 22% of the foreign-born population, the most of any country. Russia follows with 6.9% of all foreign-born residents. India, Korea, and Ukraine round out the top five.

Top 10 Countries of Origin of the Foreign-Born Newton Population

Place of Birth	Foreign-Born Population	Pct. of All Foreign-Born
China	4,150	22.0%
Russia	1,299	6.9%
India	1,201	6.4%
Korea	1,131	6.0%
Ukraine	728	3.9%
United Kingdom	714	3.8%
Canada	585	3.1%
Iran	503	2.7%
Israel	458	2.4%
Italy	429	2.3%
Total (Top 10)	11,198	59.3%
Total (All Foreign-Born)	18,884	100.0%

Source: 2016 ACS 5-Year Estimates

Table 11: Top 10 Countries of Origin of the Foreign-Born Newton Population

Commute Patterns

Table 12 and Table 13 show the top 10 places of work for Newton residents, and the top 10 places of residence for Newton workers. Boston is the most common commute destination for Newton residents, with 34% of residents traveling to Boston for work. Just 15% of Newton residents also work in Newton. Together, Boston and Newton account for about half of residents' commute destinations, and the top 10 places of work account for 72% of all work destinations, indicating that jobs held by Newton residents are heavily concentrated in a small number of cities and towns.

Eleven percent (11%) of people who work in Newton also live in the city; 18% are residents of Boston. This points to a substantial number of workers who are "reverse commuting" from the regional core (Boston) out to suburban Newton. Collectively, the top 10 places of residence for Newton workers account for 47% of all workers, indicating that the commute shed for in-commuters is geographically more dispersed than that of out-commuters. This pattern can be seen in Figure 9 and Figure 10.

Commute patterns are also discussed in the City of Newton's 2017 transportation strategy, *Newton Leads 2040: A Transportation Strategy for Newton*. In 2010, 73% of Newtonians drove to work, 13% used public transit, 9% worked at home, 4% walked, 1% bicycled, and 1% used another means.⁶

Top 10 Places of Work for Newton Residents

Place of Work	Number of Residents	Percent of Residents
Boston, MA	13,751	34%
Newton, MA	5,948	15%
Cambridge, MA	3,065	7%
Waltham, MA	2,055	5%
Brookline, MA	1,019	2%
Framingham, MA	821	2%
Needham, MA	758	2%
Watertown, MA	730	2%
Burlington, MA	719	2%
Wellesley, MA	637	2%
Total (Top 10)	29,503	72%
Total (All Places of Work)	40,972	100%

Source: US Census 2015 OnTheMap

Table 12: Top 10 Places of Work for Newton Residents

Top 10 Places of Residence for Newton Workers

Place of Residence	Number of Workers	Percent of Workers
Boston, MA	10,454	18%
Newton, MA	5,948	11%
Waltham, MA	2,072	4%
Framingham, MA	1,410	3%
Brookline, MA	1,302	2%
Needham, MA	1,177	2%
Watertown, MA	1,122	2%
Somerville, MA	1,079	2%
Cambridge, MA	1,019	2%
Quincy, MA	844	2%
Total (Top 10)	26,427	47%
Total (All Places of Residence)	56,718	100%

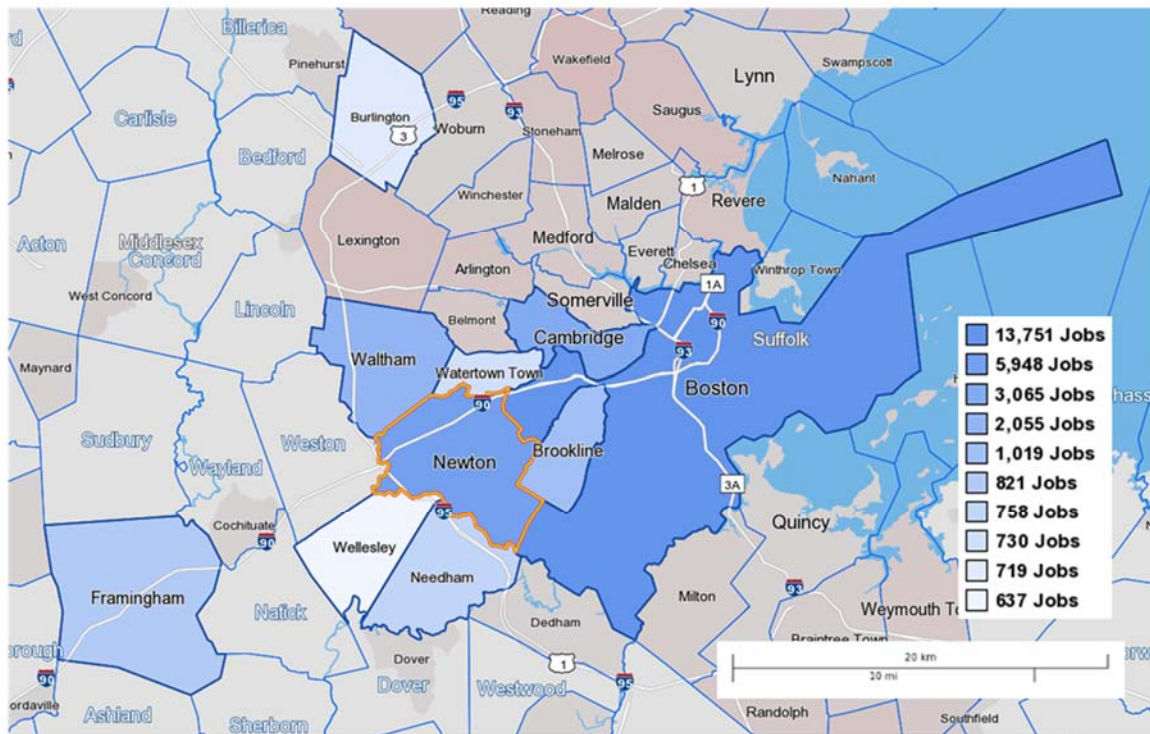
Source: US Census 2015 OnTheMap

Table 13: Top 10 Places of Residence for Newton Workers

⁶Newton Leads 2040: A Transportation Strategy for Newton, page 3-21, 3-22 <http://www.newtonma.gov/civicax/filebank/documents/82026>



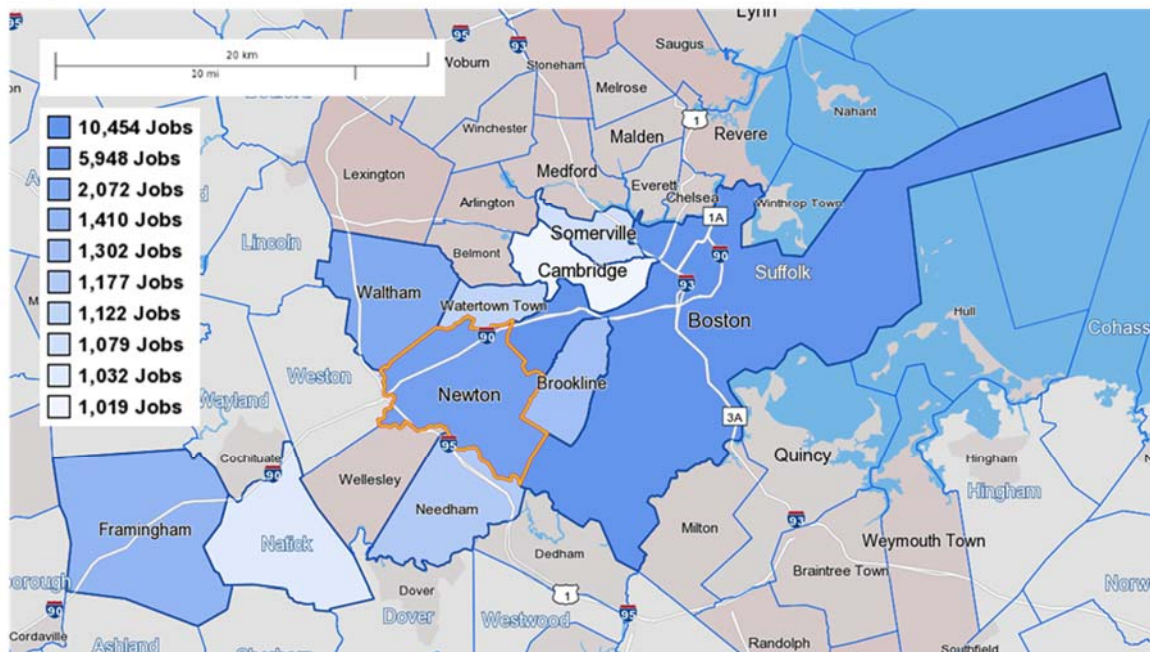
Top Places of Work for Newton Residents



Source: US Census 2015 OnTheMap

Figure 9: Top Places of Work for Newton Residents

Top Places of Residence for Newton Workers



Source: US Census 2015 OnTheMap

Figure 10: Top Places of Residence for Newton Workers

Economic Base Analysis

Establishment and Job Growth by Stage

Between 2006 and 2016, the number of establishments in the Boston MSA increased by 61.8%, compared to 63.6% nationally. Stage 1 firms—firms with between 2 and 9 employees—constituted the largest proportion of growth in the MSA, growing by 104,000 and accounting for 70% of the overall increase in number of establishments. This trend was mirrored at the national level. Establishments in this stage represented 71% of all establishments in 2016, up from 66% ten years prior. Stage 4 firms—those with 500 or more employees—were the only group to lose establishments over this period, declining by 3%.

Establishments by Stage, Boston MSA

Establishment Stage (No. of Employees)	2006	2016	2016 Pct. of Total	2006-2016 Change	2006-2016 Pct. Change
Self-Employed (1)	29,385	46,261	12.1%	16,876	57.4%
Stage 1 (2-9)	161,273	265,799	69.6%	104,526	64.8%
Stage 2 (10-99)	41,013	64,994	17.0%	23,981	58.5%
Stage 3 (100-499)	3,780	4,202	1.1%	422	11.2%
Stage 4 (500+)	431	418	0.1%	(13)	-3.0%
Total	235,882	381,674	100%	145,792	61.8%

Source: YourEconomy.org

Table 14: Establishments by Stage, Boston MSA

Establishments by Stage, United States

Establishment Stage (No. of Employees)	2006	2016	2016 Pct. of Total	2006-16 Change	2006-16 Pct. Change
Self-Employed (1)	1,916,894	2,702,232	12.2%	785,338	41.0%
Stage 1 (2-9)	9,014,471	15,762,857	71.2%	6,748,386	74.9%
Stage 2 (10-99)	2,382,902	3,430,521	15.5%	1,047,619	44.0%
Stage 3 (100-499)	191,684	211,234	1.0%	19,550	10.2%
Stage 4 (500+)	21,514	21,622	0.1%	108	0.5%
Total	13,527,465	22,128,466	100%	8,601,001	63.6%

Source: YourEconomy.org

Table 15: Establishments by Stage, United States

Stage 1 firms (2-9 employees) contributed the largest growth in number of jobs over the ten-year period, adding 436,917 jobs and making up over half all job growth. Stage 2 firms (10 to 99 employees) contributed the majority of the other half of job growth, creating over 425,000 jobs. Stage 4 firms were the only group to shed jobs over the period, pointing to a regional shift in which job growth is occurring mostly at small and medium sized firms. These trends were similar nationally, with Stage 1 firms accounting for 75% of all job growth, and Stage 4 firms being the only category to lose jobs.

Jobs by Stage of Establishment, Boston MSA

Establishment Stage (No. of Employees)	2006	2016	2016 Pct. of Total	2006-2016 Change	2006-2016 Pct. Change
Self-Employed (1)	29,385	46,261	1.3%	16,876	57.4%
Stage 1 (2-9)	605,693	1,042,610	28.4%	436,917	72.1%
Stage 2 (10-99)	998,471	1,424,232	38.8%	425,761	42.6%
Stage 3 (100-499)	649,901	695,685	19.0%	45,784	7.0%
Stage 4 (500+)	537,288	457,701	12.5%	(79,587)	-14.8%
Total	2,820,738	3,666,489	100%	845,751	30.0%

Source: YourEconomy.org

Table 16: Jobs by Stage of Establishment, Boston MSA

Jobs by Stage of Establishment, United States

Establishment Stage (No. of Employees)	2006	2016	2016 Pct. of Total	2006-16 Change	2006-16 Pct. Change
Self-Employed (1)	1,916,894	2,702,232	1.3%	785,338	41.0%
Stage 1 (2-9)	34,421,332	60,258,782	29.7%	25,837,450	75.1%
Stage 2 (10-99)	57,894,480	78,172,269	38.6%	20,277,789	35.0%
Stage 3 (100-499)	33,103,027	35,708,531	17.6%	2,605,504	7.9%
Stage 4 (500+)	26,931,302	25,910,350	12.8%	(1,020,952)	-3.8%
Total	154,267,035	202,752,164	100%	48,485,129	31.4%

Source: YourEconomy.org

Table 17: Jobs by Stage of Establishment, United States

Employment by Sector (2-digit NAICS)

Newton is home to approximately 4,700 establishments employing in total approximately 79,500 jobs, having added about 10,000 jobs over the last ten years, an increase of 14%. There is an anticipated increase of 7,300 jobs (9%) in the next ten years. The section below outlines what to expect in terms of growing and shrinking sectors.

Education Services are a major sector in Newton. The Educational Services sector (NAICS 61), as categorized by EMSI, includes schools, colleges, universities and training centers, which are privately owned. All public schools are included in the Government sector (NAICS 90).

Current Employment by Sector

Table 18 shows the distribution of employment by 2-digit employment sectors. The top five sectors for 2017 include:

- Educational Services (private) (21,350 jobs or 27% of all jobs)
- Healthcare and Social Assistance (13,062 jobs 16% of all jobs)
- Professional, Scientific and Technical Services (7,008 jobs or 9% of all jobs)
- Retail Trade (5,347 jobs or 7% of all jobs)
- Government (4,997 jobs or 6% of all jobs)

Past Growth

Between 2007 and 2017 Health Care and Social Assistance sector employment outpaced that of any other sector in number of jobs, adding 3,694 for an increase of 39%. Educational Services grew by 2,460 jobs or 13%, and Professional, Scientific, and Technical Services also showed significant growth, expanding by 1,143 jobs, or 19%. Transportation and Warehousing increased by 69% and added 244 jobs. Other notable growth sectors included Other Services⁷ (increasing by 591 jobs or 19%); Accommodation and Food Services (increasing by 591 jobs with 19% growth); and Art and Entertainment (increasing by 520 jobs).

Wholesale Trade experienced the biggest contraction in the past ten years, shedding almost 1,000 jobs, or 43% of its workforce. Finance and Insurance lost 225 jobs (-9%) and Retail Trade contracted by 188 positions. Manufacturing contracted by 62 jobs or 12%.

Projected Growth

Healthcare and Social Assistance is the industry with the most notable anticipated growth, growing by 22% and adding just under 3,000 jobs to the Newton economy. Education Services will add about 2,000 jobs growing by 9%. Professional, Scientific, and Technical Services will increase by 10% with 731 added jobs, and Other Services will expand by 15% adding 568 new jobs. Real Estate and Rental Leasing and Arts, Entertainment, and Recreation are the other largest growing sectors.

Earnings

Average earnings per job (including wages and supplements) in Newton was about \$72,000 in 2017 (Table 18). Sectors with the highest average earnings included Management of Companies and Enterprises (\$186,000), Information (\$149,000), and Wholesale Trade (\$140,000). Arts, Entertainment, and Recreation and Accommodation and Food Services were at the low end of the earnings spectrum, both earning about \$28,000 annually.

⁷ The Other Services (except Public Administration) sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities, such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, and providing dry-cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services.



Employment by Sector, 2-digit NAICS – Newton

NAICS	Description	2007 Jobs	2017 Jobs	2027 Jobs	2007-2017 Change	2007 - 2017 % Change	2017-2027 Change	2017-2027 % Change	Avg. Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	40	68	82	28	70%	14	21%	\$ 80,911
21	Mining, Quarrying, and Oil and Gas Extraction	<10	<10	<10	Insf. Data	Insf. Data	Insf. Data	Insf. Data	Insf. Data
22	Utilities	-	-	-	-	0%	0	0.0%	\$ -
23	Construction	1,381	1,536	1,795	155	11%	259	17%	\$ 83,812
31	Manufacturing	519	457	420	(62)	(12%)	(37)	(8%)	\$ 77,175
42	Wholesale Trade	2,305	1,316	930	(989)	(43%)	(386)	(29%)	\$ 140,139
44	Retail Trade	5,535	5,347	5,159	(188)	(3%)	(188)	(4%)	\$ 36,884
48	Transportation and Warehousing	356	600	755	244	69%	155	26%	\$ 39,380
51	Information	1,848	2,335	2,382	487	26%	47	2%	\$ 149,417
52	Finance and Insurance	2,612	2,387	2,313	(225)	(9%)	(74)	(3%)	\$ 135,068
53	Real Estate and Rental and Leasing	2,350	2,821	3,148	471	20%	327	12%	\$ 74,320
54	Professional, Scientific, and Technical Services	5,865	7,008	7,739	1,143	19%	731	10%	\$ 121,796
55	Management of Companies and Enterprises	588	740	774	152	26%	34	5%	\$ 185,928
56	Administrative and Support	4,063	4,535	4,685	472	12%	150	3%	\$ 49,428
61	Educational Services	18,890	21,350	23,345	2,460	13%	1,995	9%	\$ 68,897
62	Health Care and Social Assistance	9,368	13,062	15,974	3,694	39%	2,912	22%	\$ 60,285
71	Arts, Entertainment, and Recreation	2,892	3,412	3,826	520	18%	414	12%	\$ 28,009
72	Accommodation and Food Services	3,087	3,678	3,924	591	19%	246	7%	\$ 28,133
81	Other Services (except Public Administration)	3,111	3,849	4,417	738	24%	568	15%	\$ 29,667
90	Government	4,774	4,997	5,138	223	5%	141	3%	\$ 95,280
99	Unclassified Industry	-	-	-	-	0%	0	0%	\$ -
TOTAL		69,588	79,506	86,816	9,918	14%	7,310	9%	\$ 71,943

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 18: Employment by Sector, 2-digit NAICS - Newton

Regional Comparison

Table 19 and Table 20 tabulate the same data in Table 18 for the Boston MSA and Massachusetts.

Employment by Sector, 2-digit NAICS – Boston MSA

NAICS	Description	2007 Jobs	2017 Jobs	2027 Jobs	2007 - 2017 % Change	2017-2027 % Change	Avg. Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	6,068	7,995	9,049	32%	13%	\$ 51,310
21	Mining, Quarrying, and Oil and Gas Extraction	1,075	668	669	(38%)	0%	\$ 80,462
22	Utilities	6,640	6,595	5,574	(1%)	(15%)	\$ 159,210
23	Construction	134,186	137,485	154,018	2%	12%	\$ 78,334
31	Manufacturing	207,906	177,424	159,276	(15%)	(10%)	\$ 116,238
42	Wholesale Trade	100,798	88,582	86,463	(12%)	(2%)	\$ 112,960
44	Retail Trade	257,225	264,276	269,008	3%	2%	\$ 39,484
48	Transportation and Warehousing	58,144	64,350	66,172	11%	3%	\$ 61,319
51	Information	76,097	81,372	83,241	7%	2%	\$ 137,535
52	Finance and Insurance	159,920	149,528	155,304	(6%)	4%	\$ 180,554
53	Real Estate and Rental and Leasing	44,058	45,659	47,995	4%	5%	\$ 83,883
54	Professional, Scientific, and Technical Services	247,330	303,375	339,969	23%	12%	\$ 134,943
55	Management of Companies and Enterprises	49,206	55,405	54,978	13%	(1%)	\$ 166,246
56	Administrative and Support	150,812	155,283	161,534	3%	4%	\$ 54,983
61	Educational Services	152,037	179,461	195,911	18%	9%	\$ 60,308
62	Health Care and Social Assistance	352,391	452,725	535,595	28%	18%	\$ 69,322
71	Arts, Entertainment, and Recreation	43,322	54,578	61,132	26%	12%	\$ 43,885
72	Accommodation and Food Services	184,161	226,659	243,743	23%	8%	\$ 28,581
81	Other Services (except Public Administration)	122,531	134,557	143,006	10%	6%	\$ 36,152
90	Government	306,071	319,864	326,071	5%	2%	\$ 92,033
99	Unclassified Industry	40	37	30	(8%)	(19%)	\$ 55,715
TOTAL		2,660,019	2,905,879	3,098,738	9%	7%	\$ 83,756

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 19: Employment by Sector, 2-digit NAICS - Boston MSA

Employment by Sector, 2-digit NAICS – Massachusetts

NAICS	Description	2007 Jobs	2017 Jobs	2027 Jobs	2007 - 2017 % Change	2017-2027 % Change	Avg. Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	11,678	14,242	15,504	22%	9%	\$ 52,487
21	Mining, Quarrying, and Oil and Gas Extraction	1,527	1,082	1,105	(29%)	2%	\$ 80,137
22	Utilities	9,861	10,960	10,134	11%	(8%)	\$ 155,976
23	Construction	192,260	193,818	214,583	1%	11%	\$ 73,939
31	Manufacturing	300,858	249,659	219,839	(17%)	(12%)	\$ 107,659
42	Wholesale Trade	142,347	127,580	127,245	(10%)	(0%)	\$ 109,312
44	Retail Trade	368,107	367,429	367,226	(0%)	(0%)	\$ 38,754
48	Transportation and Warehousing	80,437	91,776	95,575	14%	4%	\$ 57,974
51	Information	91,602	92,988	92,558	2%	(0%)	\$ 130,612
52	Finance and Insurance	189,542	176,701	181,761	(7%)	3%	\$ 168,825
53	Real Estate and Rental and Leasing	56,468	56,396	58,642	(0%)	4%	\$ 77,696
54	Professional, Scientific, and Technical Services	289,187	351,181	391,901	21%	12%	\$ 128,985
55	Management of Companies and Enterprises	61,378	66,220	63,813	8%	(4%)	\$ 158,026
56	Administrative and Support	193,089	200,166	208,685	4%	4%	\$ 51,332
61	Educational Services	189,858	226,560	247,067	19%	9%	\$ 56,952
62	Health Care and Social Assistance	496,409	647,039	762,814	30%	18%	\$ 64,995
71	Arts, Entertainment, and Recreation	59,960	73,179	80,634	22%	10%	\$ 40,514
72	Accommodation and Food Services	259,393	308,400	326,413	19%	6%	\$ 27,403
81	Other Services (except Public Administration)	180,704	180,224	188,039	(0%)	4%	\$ 34,966
90	Government	441,945	466,320	477,451	6%	2%	\$ 87,599
99	Unclassified Industry	-	-	-	0%	0%	\$ -
TOTAL		3,616,610	3,901,919	4,130,989	8%	6%	\$ 77,700

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 20: Employment by Sector, 2-digit NAICS – Massachusetts

Highly Concentrated Sectors

Location quotient (LQ) is a measure of industry concentration, indicating how concentrated a certain sector in a given area of study, relative to the nation as a whole. It can reveal what makes a particular region “unique” in comparison with the national average. An LQ greater than 1 indicates that sector employment in the study area is more concentrated than it is as the national level. In Newton (see Table 21) the sector with highest concentration is Educational Services with an LQ of 10.44, meaning that the share of Educational Services employment in these communities relative to total employment is more than 10 times greater than its share nationally. Other highly concentrated sectors include Arts, Entertainment, and Recreation (LQ = 2.51), and Real Estate and Rental and Leasing (LQ = 2.14).

2017 Location Quotient by Sector, 2-digit NAICS

NAICS	Description	Newton LQ	Boston MSA LQ	Mass. LQ
11	Agriculture, Forestry, Fishing and Hunting	0.07	0.23	0.30
21	Mining, Quarrying, and Oil and Gas Extraction	0.02	0.06	0.07
22	Utilities	0.00	0.65	0.80
23	Construction	0.36	0.88	0.92
31	Manufacturing	0.07	0.78	0.81
42	Wholesale Trade	0.44	0.81	0.87
44	Retail Trade	0.65	0.86	0.89
48	Transportation and Warehousing	0.22	0.64	0.68
51	Information	1.57	1.51	1.28
52	Finance and Insurance	0.78	1.33	1.17
53	Real Estate and Rental and Leasing	2.14	0.96	0.88
54	Professional, Scientific, and Technical Services	1.38	1.64	1.41
55	Management of Companies and Enterprises	0.66	1.36	1.21
56	Administrative and Support	0.91	0.86	0.82
61	Educational Services	10.44	2.40	2.26
62	Health Care and Social Assistance	1.31	1.24	1.32
71	Arts, Entertainment, and Recreation	2.51	1.10	1.10
72	Accommodation and Food Services	0.54	0.91	0.93
81	Other Services (except Public Administration)	1.01	0.97	0.96
90	Government	0.41	0.72	0.78
99	Unclassified Industry	0.00	0.01	0.00

**Includes wages and supplements*

Source: EMSI Complete Employment 2017.4

Table 21: 2017 Location Quotient by Sector, 2-digit NAICS

Regional Comparison of Employment Share by Sector

Table 22 summarizes each sector's share of total employment in Newton, the Boston MSA, Massachusetts, and the US. Notably, the proportion of Educational Services jobs in Newton is more than four times that of the MSA, and more among the other comparison geographies. In addition, about 16% of Newton jobs are in the Health Care and Social Assistance sector, in line with the MSA, the state and slightly higher than the nation. Manufacturing jobs comprise a comparatively smaller portion of the Newton economy, as do Government jobs, Accommodation and Food Services, and Construction.

2017 Employment Share by Sector, Regional Comparison

NAICS	Description	Newton	Boston MSA	Mass.	US
11	Agriculture, Forestry, Fishing and Hunting	0.1%	0.3%	0.4%	1.2%
21	Mining, Quarrying, and Oil and Gas Extraction	0.0%	0.0%	0.0%	0.4%
22	Utilities	0.0%	0.2%	0.3%	0.4%
23	Construction	1.9%	4.7%	5.0%	5.4%
31	Manufacturing	0.6%	6.1%	6.4%	7.9%
42	Wholesale Trade	1.7%	3.0%	3.3%	3.8%
44	Retail Trade	6.7%	9.1%	9.4%	10.6%
48	Transportation and Warehousing	0.8%	2.2%	2.4%	3.4%
51	Information	2.9%	2.8%	2.4%	1.9%
52	Finance and Insurance	3.0%	5.1%	4.5%	3.9%
53	Real Estate and Rental and Leasing	3.5%	1.6%	1.4%	1.6%
54	Professional, Scientific, and Technical Services	8.8%	10.4%	9.0%	6.4%
55	Management of Companies and Enterprises	0.9%	1.9%	1.7%	1.4%
56	Administrative and Support	5.7%	5.3%	5.1%	6.2%
61	Educational Services	26.9%	6.2%	5.8%	2.6%
62	Health Care and Social Assistance	16.4%	15.6%	16.6%	12.6%
71	Arts, Entertainment, and Recreation	4.3%	1.9%	1.9%	1.7%
72	Accommodation and Food Services	4.6%	7.8%	7.9%	8.5%
81	Other Services (except Public Administration)	4.8%	4.6%	4.6%	4.8%
90	Government	6.3%	11.0%	12.0%	15.3%
99	Unclassified Industry	0.0%	0.0%	0.0%	0.2%
		100.0%	100.0%	100.0%	100.0%

Source: EMSI Complete Employment 2017.4

Table 22: 2017 Employment Share by Sector, Regional Comparison

Historic Employment Growth by Sector

Economy-wide, employment in Newton expanded by 14% over the last decade. Massachusetts and the Boston MSA increased by about the same. The US lagged in comparison, growing by 4%. Sectors where employment growth in Newton significantly outpaced that of the comparison geographies include: Agriculture, Real Estate, Transportation and Warehousing, and Health Care. Newton significantly underperformed in Wholesale Trade, in which it lost 43% of jobs compared to losing 12% in the MSA, 10% in the state and 3% in the nation.

2007-2017 Percent Change in Employment, Regional Comparison

NAICS	Description	Newton	Boston MSA	Mass.	US
11	Agriculture, Forestry, Fishing and Hunting	70%	32%	22%	1%
21	Mining, Quarrying, and Oil and Gas Extraction	Insf. Data	(38%)	(29%)	(9%)
22	Utilities	0%	(1%)	11%	2%
23	Construction	11%	2%	1%	(14%)
31	Manufacturing	(12%)	(15%)	(17%)	(11%)
42	Wholesale Trade	(43%)	(12%)	(10%)	(3%)
44	Retail Trade	(3%)	3%	(0%)	2%
48	Transportation and Warehousing	69%	11%	14%	11%
51	Information	26%	7%	2%	(7%)
52	Finance and Insurance	(9%)	(6%)	(7%)	(3%)
53	Real Estate and Rental and Leasing	20%	4%	(0%)	(5%)
54	Professional, Scientific, and Technical Services	19%	23%	21%	15%
55	Management of Companies and Enterprises	26%	13%	8%	22%
56	Administrative and Support	12%	3%	4%	7%
61	Educational Services	13%	18%	19%	24%
62	Health Care and Social Assistance	39%	28%	30%	23%
71	Arts, Entertainment, and Recreation	18%	26%	22%	14%
72	Accommodation and Food Services	19%	23%	19%	17%
81	Other Services (except Public Administration)	24%	10%	(0%)	2%
90	Government	5%	5%	6%	1%
99	Unclassified Industry	0%	(8%)	0%	39%
TOTAL		14%	9%	8%	4%

Source: EMSI Complete Employment 2017.4

Table 23: 2007-2017 Percent Change in Employment, Regional Comparison

Average Earnings by Sector

Average earnings per job in Newton are slightly lower than the state average (roughly \$72,000 compared to \$78,000), and slightly lower than average earnings for the MSA (\$84,000). This compares to average earnings of about \$63,000 nationally.

Newton's top sectors, by number of jobs, are Educational Services, Health Care and Social Assistance, and Professional Services. Educational Services average earnings in Newton surpass the other comparison geographies, almost \$20,000 more than the national average. Health Care and Social Assistance average earnings are similar to the national average (\$60,000 versus \$58,000) but are below that of the MSA and state (\$69,000 and \$65,000). Newton exceeds the national average in the Professional Services sector (\$121,800 versus \$98,000) but falls short when compared to the MSA and state (\$135,000 and \$129,000).

2017 Average Earnings*, Regional Comparison

NAICS	Description	Newton	Boston MSA	Mass.	US
11	Agriculture, Forestry, Fishing and Hunting	\$ 80,911	\$ 51,310	\$ 52,487	\$ 35,700
21	Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ 80,462	\$ 80,137	\$ 121,333
22	Utilities	\$ -	\$ 159,210	\$ 155,976	\$ 140,096
23	Construction	\$ 83,812	\$ 78,334	\$ 73,939	\$ 62,056
31	Manufacturing	\$ 77,175	\$ 116,238	\$ 107,659	\$ 81,241
42	Wholesale Trade	\$ 140,139	\$ 112,960	\$ 109,312	\$ 85,911
44	Retail Trade	\$ 36,884	\$ 39,484	\$ 38,754	\$ 35,793
48	Transportation and Warehousing	\$ 39,380	\$ 61,319	\$ 57,974	\$ 60,933
51	Information	\$ 149,417	\$ 137,535	\$ 130,612	\$ 115,468
52	Finance and Insurance	\$ 135,068	\$ 180,554	\$ 168,825	\$ 118,438
53	Real Estate and Rental and Leasing	\$ 74,320	\$ 83,883	\$ 77,696	\$ 59,434
54	Professional, Scientific, and Technical Services	\$ 121,796	\$ 134,943	\$ 128,985	\$ 97,816
55	Management of Companies and Enterprises	\$ 185,928	\$ 166,246	\$ 158,026	\$ 137,092
56	Administrative and Support	\$ 49,428	\$ 54,983	\$ 51,332	\$ 43,069
61	Educational Services	\$ 68,897	\$ 60,308	\$ 56,952	\$ 47,661
62	Health Care and Social Assistance	\$ 60,285	\$ 69,322	\$ 64,995	\$ 57,915
71	Arts, Entertainment, and Recreation	\$ 28,009	\$ 43,885	\$ 40,514	\$ 38,802
72	Accommodation and Food Services	\$ 28,133	\$ 28,581	\$ 27,403	\$ 23,598
81	Other Services (except Public Administration)	\$ 29,667	\$ 36,152	\$ 34,966	\$ 32,334
90	Government	\$ 95,280	\$ 92,033	\$ 87,599	\$ 74,415
99	Unclassified Industry	\$ -	\$ 55,715	\$ -	\$ 61,582
	Overall Average Earnings	\$ 71,943	\$ 83,756	\$ 77,700	\$ 63,002

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 24: 2017 Average Earnings*, Regional Comparison

Gross Regional Product by Sector (2-digit NAICS)

Within the City of Newton, the industry contributing the most to gross regional product (GRP) is Educational Services, contributing over \$1 billion in 2016, totaling 17.3% of total GRP in the city. The following two largest industries by GRP include Professional, Scientific, and Technical Services and Health Care and Social Assistance. (contributing \$1 billion and \$830 million respectively).

As Table 25 illustrates, some of these trends follow the MSA and state, and some do not. Professional, Scientific, and Technical Services and Health Care and Social Assistance are similar among these comparison geographies. However, Educational Services is uniquely high in Newton.

2016 Gross Regional Product by 2-Digit Sector

NAICS	Industry	Newton GRP	Pct. of Total GRP- Newton	Pct. of Total GRP- Boston MSA	Pct. of Total GRP- MA
11	Agriculture, Forestry, Fishing and Hunting	\$ 8,820,865	0.1%	0.2%	0.3%
21	Mining, Quarrying, and Oil and Gas Extraction	\$ 1,639,680	0.0%	0.1%	0.1%
22	Utilities	\$ -	0.0%	0.9%	1.1%
23	Construction	\$ 167,605,803	2.1%	4.0%	4.3%
31	Manufacturing	\$ 58,939,697	0.7%	9.1%	9.7%
42	Wholesale Trade	\$ 355,138,469	4.4%	5.5%	5.4%
44	Retail Trade	\$ 267,255,103	3.3%	3.8%	4.3%
48	Transportation and Warehousing	\$ 34,631,216	0.4%	1.6%	1.7%
51	Information	\$ 597,233,107	7.3%	5.6%	5.0%
52	Finance and Insurance	\$ 639,641,707	7.8%	15.1%	13.6%
53	Real Estate and Rental and Leasing	\$ 727,184,101	8.9%	3.3%	3.2%
54	Professional, Scientific, and Technical Services	\$ 1,034,985,449	12.7%	12.2%	10.8%
55	Management of Companies and Enterprises	\$ 134,898,632	1.7%	2.6%	2.4%
56	Administrative and Support	\$ 303,869,149	3.7%	3.0%	2.8%
61	Educational Services	\$ 1,414,182,796	17.3%	2.9%	2.8%
62	Health Care and Social Assistance	\$ 833,075,261	10.2%	8.7%	9.4%
71	Arts, Entertainment, and Recreation	\$ 228,550,076	2.8%	1.0%	1.0%
72	Accommodation and Food Services	\$ 124,841,056	1.5%	2.3%	2.4%
81	Other Services (except Public Administration)	\$ 126,886,710	1.6%	1.5%	1.6%
90	Government	\$ 461,066,305	5.6%	8.4%	9.4%
	Other Vectors	\$ 641,031,766	7.9%	8.3%	8.9%
TOTAL		\$ 8,161,476,948	100%	100%	100%

Source: EMSI Complete Employment 2017.4

Table 25: 2016 Gross Regional Product by 2-Digit Sector

Top Industries (4-digit NAICS)

Table 26 shows the top 25 industries at the 4-digit level for Newton. Seven of these industries stem from the Healthcare and Social Assistance sector and three stem from the Educational Services sector (collectively known as “Eds and Meds”). Colleges, Universities, and Professional Schools top the list, with over 18,000 jobs in 2017, up 11% over the last ten years. Services to Buildings and Dwellings, and Individual and Family Services round out the top three. In addition, there are several industries in the top 25 that fall within the Professional Services sector (NAICS code 54) and include Management, Scientific, and Technical Consulting Services; Computer Systems, Design and Related Services; and Legal Services. In total these represent about 4,900 jobs in 2017.

Top 25 Industries by Employment, 4-digit NAICS – Newton

NAICS	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 Pct. Change	2017 National LQ	2017 Avg. Earnings*
6113	Colleges, Universities, and Professional Schools	16,386	18,197	1,811	11%	18.68	\$ 72,769
5617	Services to Buildings and Dwellings	2,537	3,177	640	25%	2.26	\$ 37,224
6241	Individual and Family Services	1,224	3,096	1,872	153%	2.54	\$ 34,856
7225	Restaurants and Other Eating Places	2,427	3,080	653	27%	0.59	\$ 25,907
9036	Education and Hospitals (Local Government)	2,683	2,919	236	9%	0.68	\$ 88,405
5415	Computer Systems Design and Related Services	1,728	2,477	749	43%	2.32	\$160,213
6221	General Medical and Surgical Hospitals	2,152	2,353	201	9%	1.02	\$ 82,181
6111	Elementary and Secondary Schools	1,520	1,767	247	16%	3.12	\$ 54,557
7139	Other Amusement and Recreation Industries	1,259	1,653	394	31%	2.39	\$ 28,379
4451	Grocery Stores	1,262	1,500	238	19%	1.10	\$ 28,613
6213	Offices of Other Health Practitioners	956	1,469	513	54%	2.96	\$ 53,803
7115	Independent Artists, Writers, and Performers	1,438	1,465	27	2%	9.80	\$ 20,411
6211	Offices of Physicians	1,334	1,437	103	8%	1.11	\$122,000
5313	Activities Related to Real Estate	1,079	1,304	225	21%	3.23	\$ 83,506
5416	Management, Scientific, and Technical Consulting Services	994	1,253	259	26%	1.49	\$113,356
5311	Lessors of Real Estate	765	1,215	450	59%	3.04	\$ 64,816
8141	Private Households	727	1,182	455	63%	2.64	\$ 18,001
5411	Legal Services	1,220	1,149	(71)	(6%)	1.72	\$ 80,349
6116	Other Schools and Instruction	707	1,103	396	56%	3.81	\$ 33,173
8121	Personal Care Services	812	1,080	268	33%	1.70	\$ 27,163
9039	Local Government, Excluding Education and Hospitals	921	981	60	7%	0.35	\$ 97,160
6244	Child Day Care Services	800	900	100	13%	1.46	\$ 31,103
5239	Other Financial Investment Activities	1,003	877	(126)	(13%)	3.30	\$183,641
6216	Home Health Care Services	395	865	470	119%	1.20	\$ 48,940
6231	Nursing Care Facilities (Skilled Nursing Facilities)	895	857	(38)	(4%)	1.05	\$ 50,502

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 26: Top 25 Industries by Employment, 4-digit NAICS – Newton

Fifteen of Newton's top 25 industries overlap with those on the Boston MSA list; however, there are several industry groupings that are unique to Newton. Educational industries, including (private) Elementary and Secondary Schools, Child Day Care Services, and Other Schools and Instruction are key employers in Newton, but less important in the MSA overall. The Arts sector—including Amusement and Recreation Industries and Independent Artist—are also unique to Newton top 25 4-digit industries.

Table 27 and Table 28 tabulate the same data in Table 26 for the Boston MSA and Massachusetts.

Top 25 Industries by Employment, 4-digit NAICS – Boston MSA

NAICS	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 Pct. Change	2017 National LQ	2017 Avg. Earnings*
7225	Restaurants and Other Eating Places	138,506	177,184	38,678	28%	0.93	\$ 25,517
6221	General Medical and Surgical Hospitals	112,575	127,443	14,868	13%	1.51	\$ 93,278
6113	Colleges, Universities, and Professional Schools	108,191	125,809	17,618	16%	3.54	\$ 65,443
9036	Education and Hospitals (Local Government)	108,514	117,654	9,140	8%	0.75	\$ 86,731
5415	Computer Systems Design and Related Services	48,559	75,142	26,583	55%	1.93	\$157,609
9039	Local Government, Excluding Education and Hospitals	65,247	65,759	512	1%	0.64	\$101,020
4451	Grocery Stores	54,271	64,189	9,918	18%	1.29	\$ 27,880
6241	Individual and Family Services	22,983	58,470	35,487	154%	1.31	\$ 34,471
5511	Management of Companies and Enterprises	49,206	55,405	6,199	13%	1.36	\$166,246
5617	Services to Buildings and Dwellings	47,860	54,505	6,645	14%	1.07	\$ 37,425
5417	Scientific Research and Development Services	37,689	54,302	16,613	44%	4.32	\$185,140
5416	Management, Scientific, and Technical Consulting Services	38,288	51,014	12,726	33%	1.66	\$125,294
9029	State Government, Excluding Education and Hospitals	50,677	50,602	(75)	(0%)	1.22	\$114,867
5613	Employment Services	52,643	50,080	(2,563)	(5%)	0.77	\$ 59,346
6211	Offices of Physicians	38,480	44,391	5,911	15%	0.94	\$131,430
2382	Building Equipment Contractors	39,665	41,836	2,171	5%	1.00	\$ 84,768
5221	Depository Credit Intermediation	40,015	38,598	(1,417)	(4%)	1.24	\$126,623
5413	Architectural, Engineering, and Related Services	37,281	36,258	(1,023)	(3%)	1.32	\$114,617
9011	Federal Government, Civilian	38,054	35,944	(2,110)	(6%)	0.68	\$110,919
6216	Home Health Care Services	17,008	35,523	18,515	109%	1.35	\$ 46,102
5241	Insurance Carriers	35,142	35,498	356	1%	1.62	\$129,669
9026	Education and Hospitals (State Government)	29,254	35,058	5,804	20%	0.64	\$ 65,914
5239	Other Financial Investment Activities	28,152	33,120	4,968	18%	3.43	\$296,533
6231	Nursing Care Facilities (Skilled Nursing Facilities)	35,015	32,489	(2,526)	(7%)	1.09	\$ 49,324
7139	Other Amusement and Recreation Industries	24,346	31,217	6,871	28%	1.24	\$ 27,187

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 27: Top 25 Industries by Employment, 4-digit NAICS – Boston MSA

Top 25 Industries by Employment, 4-digit NAICS – Massachusetts

NAICS	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 Pct. Change	2017 National LQ	2017 Avg. Earnings*
7225	Restaurants and Other Eating Places	195,599	240,575	44,976	23%	0.94	\$ 24,669
9036	Education and Hospitals (Local Government)	161,641	172,477	10,836	7%	0.82	\$ 84,022
6221	General Medical and Surgical Hospitals	150,862	167,945	17,083	11%	1.48	\$ 90,216
6113	Colleges, Universities, and Professional Schools	130,823	154,977	24,154	18%	3.25	\$ 61,669
6241	Individual and Family Services	33,464	96,332	62,868	188%	1.61	\$ 31,603
9039	Local Government, Excluding Education and Hospitals	94,593	95,307	714	1%	0.69	\$ 94,299
4451	Grocery Stores	75,372	86,582	11,210	15%	1.29	\$ 28,703
5415	Computer Systems Design and Related Services	56,074	84,985	28,911	52%	1.63	\$152,766
5617	Services to Buildings and Dwellings	64,507	72,253	7,746	12%	1.05	\$ 36,692
9029	State Government, Excluding Education and Hospitals	66,929	69,595	2,666	4%	1.25	\$112,167
5613	Employment Services	67,673	67,410	(263)	(0%)	0.77	\$ 52,953
5511	Management of Companies and Enterprises	61,378	66,220	4,842	8%	1.21	\$158,026
9026	Education and Hospitals (State Government)	49,473	61,957	12,484	25%	0.84	\$ 64,075
5417	Scientific Research and Development Services	41,719	59,822	18,103	43%	3.54	\$181,267
6211	Offices of Physicians	52,348	58,428	6,080	12%	0.92	\$124,418
5416	Management, Scientific, and Technical Consulting Services	44,079	58,282	14,203	32%	1.41	\$119,968
2382	Building Equipment Contractors	53,208	56,482	3,274	6%	1.01	\$ 81,188
6231	Nursing Care Facilities (Skilled Nursing Facilities)	57,489	53,382	(4,107)	(7%)	1.33	\$ 48,054
5221	Depository Credit Intermediation	50,508	48,847	(1,661)	(3%)	1.17	\$116,894
6216	Home Health Care Services	23,807	47,969	24,162	101%	1.36	\$ 46,372
9011	Federal Government, Civilian	49,407	46,873	(2,534)	(5%)	0.66	\$106,129
5241	Insurance Carriers	43,584	44,104	520	1%	1.50	\$130,265
5413	Architectural, Engineering, and Related Services	43,672	42,381	(1,291)	(3%)	1.15	\$109,331
7139	Other Amusement and Recreation Industries	33,537	42,158	8,621	26%	1.25	\$ 27,512
6111	Elementary and Secondary Schools	33,062	37,750	4,688	14%	1.36	\$ 51,519

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 28: Top 25 Industries by Employment, 4-digit NAICS – Massachusetts

Self-Employment

Nine percent of Newton jobs are held by self-employed workers. Arts, Entertainment and Recreation account for largest share of self-employed workers at 20.9%. Professional, Scientific and Technical Services represent 17.2% of all self-employed jobs and Other Services (except Public Administration) represents 18.1%.

Almost half (43.7%) of all Arts, Entertainment, and Recreation jobs are self-employed positions. Similarly, self-employed workers in the Agriculture sector represent 43.4% of all workers in that sector. As such, the workers within these industries may need additional resources pertaining to business development.

Average earnings for self-employed positions are low relative to earnings for all jobs. Across industries, average self-employed earnings are \$28,220, compared to \$71,943 for all jobs.

2017 Self-Employment by Sector, 2-digit NAICS - Newton

NAICS	Description	Self Employed Jobs	Total Jobs	Pct. of Jobs in Industry	Pct. of All Self Employed Jobs	Avg. Earnings, Self Employed*	Avg. Earnings, All Jobs*
11	Agriculture, Forestry, Fishing and Hunting	30	68	43.4%	0.4%	\$ 56,793	\$ 80,911
21	Mining, Quarrying, and Oil and Gas Extraction	<10	<10	--	--	Insf. Data	Insf. Data
22	Utilities	0	0	--	0.0%	--	--
23	Construction	271	1,536	17.6%	3.8%	\$ 28,137	\$ 83,812
31	Manufacturing	32	457	7.0%	0.4%	\$ 32,905	\$ 77,175
42	Wholesale Trade	15	1,316	1.1%	0.2%	\$ 41,996	\$ 140,139
44	Retail Trade	157	5,347	2.9%	2.2%	\$ 24,674	\$ 36,884
48	Transportation and Warehousing	82	600	13.7%	1.2%	\$ 23,103	\$ 39,380
51	Information	178	2,335	7.6%	2.5%	\$ 27,697	\$ 149,417
52	Finance and Insurance	190	2,387	8.0%	2.7%	\$ 56,250	\$ 135,068
53	Real Estate and Rental and Leasing	610	2,821	21.6%	8.6%	\$ 33,994	\$ 74,320
54	Professional, Scientific, and Technical Services	1,229	7,008	17.5%	17.2%	\$ 42,902	\$ 121,796
55	Management of Companies and Enterprises	0	740	0.0%	0.0%	--	\$ 185,928
56	Administrative and Support	413	4,535	9.1%	5.8%	\$ 20,356	\$ 49,428
61	Educational Services	414	21,350	1.9%	5.8%	\$ 20,512	\$ 68,897
62	Health Care and Social Assistance	681	13,062	5.2%	9.6%	\$ 48,347	\$ 60,285
71	Arts, Entertainment, and Recreation	1,491	3,412	43.7%	20.9%	\$ 16,835	\$ 28,009
72	Accommodation and Food Services	39	3,678	1.1%	0.6%	\$ 21,290	\$ 28,133
81	Other Services (except Public Administration)	1,292	3,849	33.6%	18.1%	\$ 15,020	\$ 29,667
90	Government	0	4,997	0.0%	0.0%	--	\$ 95,280
99	Unclassified Industry	0	0	--	0.0%	--	--
		7,126	79,506	9.0%	100.0%	\$ 28,220	\$ 71,943

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 29: 2017 Self-Employment by Sector, 2-digit NAICS - Newton

Examining self-employment at the 4-digit NAICS level, Independent Artists, Writers, and Performers represent 18.5% of self-employed positions, the most of any industry. Private Households follows at 11.9%, and Legal Services occupies third place at 5.8%.

Top 25 Industries by Self Employed Jobs, 4-digit NAICS - Newton 2017

NAICS	Description	Self Employed Jobs	Total Jobs	Pct. of Jobs in Industry	Pct. of All Self Employed Jobs	Avg. Earnings, Self Employed*	Avg. Earnings, All Jobs*
7115	Independent Artists, Writers, and Performers	1,318	1465	90.0%	18.5%	\$ 16,235.52	\$ 20,411
8141	Private Households	845	1182	71.5%	11.9%	\$ 12,092.00	\$ 18,001
5411	Legal Services	413	1149	35.9%	5.8%	\$ 64,666.97	\$ 80,349
5617	Services to Buildings and Dwellings	357	3177	11.2%	5.0%	\$ 19,032.95	\$ 37,224
5311	Lessors of Real Estate	342	1215	28.2%	4.8%	\$ 33,853.11	\$ 64,816
8121	Personal Care Services	301	1080	27.9%	4.2%	\$ 18,713.23	\$ 27,163
5416	Management, Scientific, and Technical Consulting	299	1253	23.9%	4.2%	\$ 38,370.97	\$ 113,356
6116	Other Schools and Instruction	260	1103	23.6%	3.6%	\$ 17,090.48	\$ 33,173
6213	Offices of Other Health Practitioners	256	1469	17.4%	3.6%	\$ 43,375.89	\$ 53,803
5419	Other Professional, Scientific, and Technical Services	189	585	32.3%	2.7%	\$ 19,846.70	\$ 75,558
5313	Activities Related to Real Estate	179	1304	13.7%	2.5%	\$ 33,853.11	\$ 83,506
5239	Other Financial Investment Activities	150	877	17.1%	2.1%	\$ 57,577.81	\$ 183,641
6244	Child Day Care Services	140	900	15.6%	2.0%	\$ 14,652.82	\$ 31,103
5414	Specialized Design Services	116	230	50.5%	1.6%	\$ 23,792.55	\$ 55,039
6241	Individual and Family Services	111	3096	3.6%	1.6%	\$ 31,532.30	\$ 34,856
5121	Motion Picture and Video Industries	110	331	33.3%	1.5%	\$ 26,934.99	\$ 54,762
2361	Residential Building Construction	109	333	32.8%	1.5%	\$ 28,137.30	\$ 64,230
5415	Computer Systems Design and Related Services	102	2477	4.1%	1.4%	\$ 39,890.97	\$ 160,213
7139	Other Amusement and Recreation Industries	97	1653	5.9%	1.4%	\$ 25,130.79	\$ 28,379
5312	Offices of Real Estate Agents and Brokers	86	261	33.0%	1.2%	\$ 33,853.11	\$ 71,853
6211	Offices of Physicians	84	1437	5.8%	1.2%	\$ 126,341.34	\$ 122,000
2383	Building Finishing Contractors	75	196	38.3%	1.1%	\$ 28,137.30	\$ 57,362
6111	Elementary and Secondary Schools	66	1767	3.7%	0.9%	\$ 25,256.57	\$ 54,557
5412	Accounting, Tax Preparation, Bookkeeping, and	65	434	15.0%	0.9%	\$ 34,637.31	\$ 91,190
8129	Other Personal Services	60	195	30.8%	0.8%	\$ 16,278.81	\$ 26,683

*Includes wages and supplements

Source: EMSI Complete Employment 2017.4

Table 30: Top 25 Industries by Self Employed Jobs, 4-digit NAICS - Newton 2017

Top Occupations (SOC)

Table 31 shows the top occupations in Newton include Building Cleaning and Pest Control Workers, Secretaries and Administrative Assistance, and Postsecondary Teachers. These represent occupations within all industry sectors at Newton businesses.

Top 25 Occupations by Employment, 3-Digit SOC - Newton

SOC	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 % Change	2017 National LQ	Avg. Hourly Earnings
37-2000	Building Cleaning and Pest Control Workers	3,391	4,468	1,077	32%	2.14	\$16.57
43-6000	Secretaries and Administrative Assistants	3,210	3,700	490	15%	1.77	\$23.18
25-1000	Postsecondary Teachers	3,672	3,602	(70)	(2%)	4.80	\$52.57
39-9000	Other Personal Care and Service Workers	2,073	3,487	1,414	68%	1.67	\$15.44
29-1000	Health Diagnosing and Treating Practitioners	2,832	3,290	458	16%	1.20	\$53.59
15-1100	Computer Occupations	2,592	3,275	683	26%	1.53	\$47.29
41-2000	Retail Sales Workers	3,334	3,186	(148)	(4%)	0.71	\$13.45
43-9000	Other Office and Administrative Support Workers	2,653	3,024	371	14%	1.35	\$19.79
43-4000	Information and Record Clerks	2,509	2,818	309	12%	0.95	\$19.41
11-9000	Other Management Occupations	2,491	2,735	244	10%	1.55	\$47.59
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	2,314	2,658	344	15%	1.25	\$32.50
13-1000	Business Operations Specialists	2,150	2,511	361	17%	0.99	\$39.39
35-3000	Food and Beverage Serving Workers	2,009	2,443	434	22%	0.65	\$13.01
21-1000	Counselors, Social Workers, and Other Community and Social Service Specialists	1,257	1,766	509	40%	1.66	\$24.81
43-3000	Financial Clerks	1,741	1,734	(7)	(0%)	1.03	\$21.83
13-2000	Financial Specialists	1,588	1,576	(12)	(1%)	1.06	\$40.48
11-1000	Top Executives	1,288	1,450	162	13%	1.12	\$71.05
31-1000	Nursing, Psychiatric, and Home Health Aides	906	1,440	534	59%	1.13	\$15.14
29-2000	Health Technologists and Technicians	1,260	1,422	162	13%	0.91	\$27.01
11-3000	Operations Specialties Managers	1,183	1,335	152	13%	1.48	\$66.77
49-9000	Other Installation, Maintenance, and Repair Occupations	1,105	1,316	211	19%	0.84	\$23.11
27-2000	Entertainers and Performers, Sports and Related Workers	1,142	1,285	143	13%	3.07	\$23.09
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	1,311	1,238	(73)	(6%)	0.59	\$18.24
25-9000	Other Education, Training, and Library Occupations	1,057	1,227	170	16%	1.52	\$18.53
25-3000	Other Teachers and Instructors	879	1,134	255	29%	1.60	\$23.03

Source: EMSI Complete Employment 2017.4

Table 31: Top 25 Occupations by Employment, 3-Digit SOC - Newton

Top occupations were somewhat similar across the comparison geographies, seen in **Error! Reference source not found.** and Table 33. Occupations for which Newton showed high concentrations relative to the Boston MSA and Massachusetts as a whole included Postsecondary Teachers, Entertainers and Performers, Building and Cleaning Workers, and Other Personal Care and Service Workers.

Top 25 Occupations by Employment, 3-Digit SOC - Boston MSA

SOC	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 % Change	2017 National LQ	Avg. Hourly Earnings
41-2000	Retail Sales Workers	137,299	141,070	3,771	3%	0.87	\$13.15
35-3000	Food and Beverage Serving Workers	101,656	126,702	25,046	25%	0.93	\$12.88
29-1000	Health Diagnosing and Treating Practitioners	107,308	125,866	18,558	17%	1.26	\$54.24
15-1100	Computer Occupations	102,242	123,217	20,975	21%	1.57	\$47.77
13-1000	Business Operations Specialists	96,619	107,315	10,696	11%	1.15	\$39.45
43-4000	Information and Record Clerks	94,241	97,786	3,545	4%	0.91	\$19.55
47-2000	Construction Trades Workers	86,968	88,175	1,207	1%	0.87	\$26.79
43-6000	Secretaries and Administrative Assistants	80,559	86,092	5,533	7%	1.13	\$23.45
39-9000	Other Personal Care and Service Workers	56,499	80,789	24,290	43%	1.06	\$14.61
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	72,028	80,742	8,714	12%	1.04	\$32.15
37-2000	Building Cleaning and Pest Control Workers	69,458	79,201	9,743	14%	1.04	\$15.92
43-9000	Other Office and Administrative Support Workers	75,730	78,883	3,153	4%	0.96	\$19.54
11-9000	Other Management Occupations	66,735	73,890	7,155	11%	1.14	\$46.69
13-2000	Financial Specialists	68,749	70,807	2,058	3%	1.31	\$42.18
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	69,329	69,265	(64)	(0%)	0.91	\$17.95
53-3000	Motor Vehicle Operators	58,702	65,584	6,882	12%	0.81	\$18.76
11-1000	Top Executives	59,427	65,025	5,598	9%	1.37	\$68.83
43-3000	Financial Clerks	64,693	63,077	(1,616)	(2%)	1.03	\$20.89
11-3000	Operations Specialties Managers	55,079	60,979	5,900	11%	1.86	\$65.04
29-2000	Health Technologists and Technicians	52,446	60,299	7,853	15%	1.06	\$26.97
21-1000	Counselors, Social Workers, and Other Community and Social Service Specialists	44,692	57,123	12,431	28%	1.47	\$23.69
35-2000	Cooks and Food Preparation Workers	41,901	50,994	9,093	22%	0.84	\$13.94
53-7000	Material Moving Workers	50,116	50,043	(73)	(0%)	0.58	\$15.84
31-1000	Nursing, Psychiatric, and Home Health Aides	36,195	49,837	13,642	38%	1.07	\$14.95
17-2000	Engineers	42,681	43,787	1,106	3%	1.41	\$49.99

Source: EMSI Complete Employment 2017.4

Table 32: Top 25 Occupations by Employment, 3-Digit SOC - Boston MSA

Top 25 Occupations by Employment, 3-Digit SOC - Massachusetts

SOC	Description	2007 Jobs	2017 Jobs	2007 - 2017 Change	2007 - 2017 % Change	2017 National LQ	Avg. Hourly Earnings
41-2000	Retail Sales Workers	194,426	194,531	105	0%	0.89	\$13.02
35-3000	Food and Beverage Serving Workers	144,369	173,591	29,222	20%	0.95	\$12.54
29-1000	Health Diagnosing and Treating Practitioners	145,529	168,759	23,230	16%	1.26	\$53.13
15-1100	Computer Occupations	121,728	144,453	22,725	19%	1.37	\$45.98
13-1000	Business Operations Specialists	121,839	134,276	12,437	10%	1.07	\$38.28
47-2000	Construction Trades Workers	125,664	126,272	608	0%	0.93	\$26.11
43-4000	Information and Record Clerks	122,072	125,618	3,546	3%	0.87	\$19.23
39-9000	Other Personal Care and Service Workers	84,768	119,230	34,462	41%	1.16	\$14.25
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	105,271	115,369	10,098	10%	1.11	\$32.10
43-6000	Secretaries and Administrative Assistants	105,354	112,388	7,034	7%	1.09	\$23.07
43-9000	Other Office and Administrative Support Workers	98,281	102,089	3,808	4%	0.93	\$19.09
37-2000	Building Cleaning and Pest Control Workers	94,413	101,341	6,928	7%	0.99	\$15.45
11-9000	Other Management Occupations	90,511	99,129	8,618	10%	1.14	\$44.82
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	97,705	96,332	(1,373)	(1%)	0.94	\$17.60
53-3000	Motor Vehicle Operators	84,711	94,711	10,000	12%	0.88	\$18.63
21-1000	Counselors, Social Workers, and Other Community and Social Service Specialists	65,799	87,469	21,670	33%	1.68	\$22.66
13-2000	Financial Specialists	84,579	86,803	2,224	3%	1.19	\$41.05
11-1000	Top Executives	80,261	86,577	6,316	8%	1.36	\$66.93
29-2000	Health Technologists and Technicians	72,783	82,320	9,537	13%	1.08	\$26.31
43-3000	Financial Clerks	84,184	81,468	(2,716)	(3%)	0.99	\$20.69
11-3000	Operations Specialties Managers	70,809	77,264	6,455	9%	1.75	\$62.87
31-1000	Nursing, Psychiatric, and Home Health Aides	53,150	73,767	20,617	39%	1.17	\$14.52
53-7000	Material Moving Workers	72,173	71,913	(260)	(0%)	0.62	\$15.21
35-2000	Cooks and Food Preparation Workers	58,295	68,258	9,963	17%	0.84	\$13.72
49-9000	Other Installation, Maintenance, and Repair Occupations	55,877	58,936	3,059	5%	0.76	\$24.25

Source: EMSI Complete Employment 2017.4

Table 33: Top 25 Occupations by Employment, 3-Digit SOC - Massachusetts

Top Employers

The following is a list from the City of Newton indicating Newton's largest employers in 2017, excluding the City itself, for 2017.

Employer's with 1,000+ Employees:

- Five Start Quality Care
- Newton Wellesley Hospital
- Boston College
- CCS Global Holdings
- Henley Enterprises Inc.
- Softbank Holdings Inc.

Employer's with 500-999 Employees:

- Tech Target Inc.
- Alliance Health
- CWC Builders
- Wegmans
- Crocodile Creek Developers
- HouseWorks
- Jewish Community Center of Greater Boston
- Wingate Management Company
- Reit Management
- Carematrix Corporation

Employer's with 250-499 Employees:

- Dana R. Mosher Corporation
- Marriott- Boston Newton
- Senior Housing Properties
- Medical Resources Inc.
- D'Agostino Associates Inc.
- Mount Ida College
- Northland Investment Corporation
- Restaurant Concepts Inc.

Fiscal Analysis

As of 2018, residential properties account for 82.3% of the City of Newton’s total tax levy, and 89.9% of total assessed value. The residential share of the tax base grew between 1989 and 2007, dipped slightly over the last decade or so, but has trended upward since 2015.

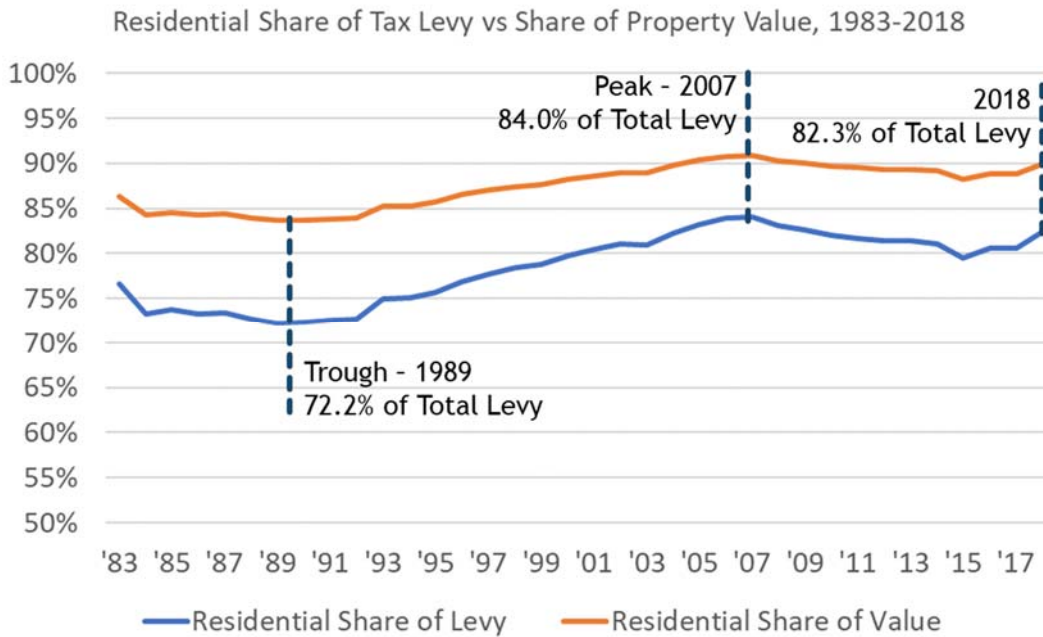


Figure 11: Residential Share of Tax Levy and Property Value, 1983-2018

Compared to its seven neighboring communities, Newton has the second lowest commercial and industrial property values as a share of total real property value.⁸ The current commercial and industrial property share in Newton is 8.7%, remaining the same since 2008. With the exception of Watertown, all other communities showed an increase in their share of commercial and industrial properties.

Commercial/Industrial Share of Real Property Value		
	2008	2018
Boston	31.2%	32.4%
Waltham	28.6%	31.4%
Watertown	17.7%	17.6%
Wellesley	11.4%	11.8%
Needham	10.5%	11.1%
Brookline	8.4%	9.2%
Newton	8.7%	8.7%
Weston	3.0%	3.5%

Source: MA Division of Local Services

Table 34: Commercial/Industrial Share of Real Property Value

⁸ Real property value excludes personal property.



Commercial and industrial properties have accounted for 16.1% of the increase in value to due to new construction in Newton between 2008 and 2018, placing Newton 5th among its neighbors. Commercial and industrial development in Waltham has comprised a notably high share of overall development, accounting for almost half. On a per capita basis, Newton has added approximately \$4,383 per capita worth of value, which is relatively low compared to nearby communities. Newton's per capita value is less than half that of Needham, which tops the list.

Commercial & Industrial Share of New Construction Value, 2008-2018		2008-2018 New Construction Value per Capita, Commercial & Industrial Properties	
Waltham	48.3%	Needham	\$ 9,830
Boston	33.8%	Boston	\$ 8,809
Watertown	28.1%	Watertown	\$ 6,139
Needham	20.2%	Waltham	\$ 5,764
Newton	16.1%	Weston	\$ 5,716
Weston	7.6%	Newton	\$ 4,383
Brookline	7.4%	Wellesley	\$ 3,516
Wellesley	7.0%	Brookline	\$ 1,900

Source: MA Division of Local Services Source: MA Division of Local Services

Table 35: Commercial and Industrial Share of New Construction Value

Camoin Associates, Inc.
120 West Avenue, Suite 303
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
@camoinassociate



APPENDIX: D

REAL ESTATE MARKET ANALYSIS

ECONOMIC DEVELOPMENT STRATEGY

CITY OF NEWTON, MASSACHUSETTS

April 2018

Prepared for:

City of Newton
1000 Commonwealth Avenue
Newton, MA 02459



120 West Avenue, Suite 303
Saratoga Springs, NY 12866

518.899.2608

www.camoinassociates.com

TABLE OF CONTENTS

Executive Summary.....	1
Introduction	2
Office.....	2
Lab	8
Medical Office	9
Industrial	10
Retail.....	11
Hotel.....	14
Residential	16



TABLE OF TABLES

Table 1: Newton Market Opportunity Summary.....	1
Table 2: Office Statistics, 2017 Q4.....	3
Table 3: Projected Employment Growth in Office-Utilizing Industries, Newton	5
Table 4: Projected Office Space Demand, 2107-2027.....	6
Table 5: Future Supply and Demand of Office Space	6
Table 6: Projected Demand for Medical Office Space	9
Table 7: Supportable Retail, City of Newton.....	13
Table 8: Suburban Boston Hotel Performance Projections.....	15

TABLE OF FIGURES

Figure 1: Office Space Inventory and Vacancy, City of Newton.....	2
Figure 2: Office Space Inventory by ZIP Code.....	4
Figure 3: Vacancy by Space Type, Boston Metro, Q4 2017.....	10
Figure 4: Retail Leakage/Surplus Factor by Retail Category, City of Newton.....	12



EXECUTIVE SUMMARY

As part of the initial research to create an economic development strategy for the City of Newton, Camoin Associates conducted a real estate market analysis to determine development opportunities for different use types throughout the city. These use types include office space, lab space, medical office, industrial, retail, hotel, and residential. This information will be used to ensure economic development strategies are grounded in market realities. Market opportunities are summarized in Table 1.

Table 1: Newton Market Opportunity Summary

Newton Market Opportunity Summary	
Use Type	Opportunity
Office	Significant vacancies and a lack of Class A sites limit demand for new development, but opportunities exist to reposition and amenitize current inventory.
Lab	Robust growth and soaring rents in Cambridge/Boston life sciences sector presents an opportunity to create a lab space node in Newton.
Medical Office	An aging population and shifting trends in health care delivery means strong demand for medical office space into the future.
Industrial	Land availability constraints and high land costs limit potential for comparatively low-value industrial development.
Retail	High incomes and significant spending leakage are an opportunity for new retail development in the city, but rising rents are squeezing out existing mom-and-pop shops.
Hotel	Sluggish commercial development in Newton and increased room supply in nearby suburbs limits potential, but differentiated boutique hotels could be viable.
Residential	Urgent need for multifamily/affordable units to house the talent required to attract commercial development.

INTRODUCTION

As part of the initial research to create an economic development strategy for the City of Newton, Camoin Associates conducted a real estate market analysis to determine development opportunities for different use types throughout the city. These use types include office space, lab space, medical office, industrial, retail, hotel, and residential. This information will be used to ensure economic development strategies are grounded in market realities. A discussion of market trends and development potential for each use type follows.

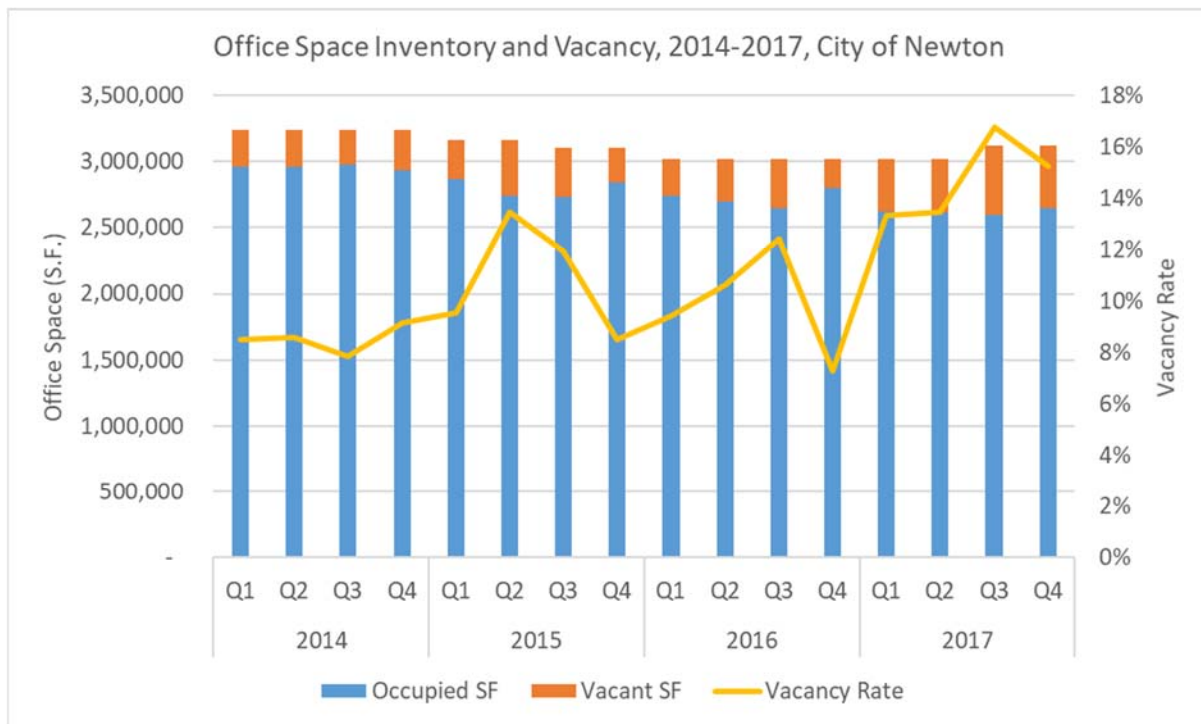
OFFICE

As the Boston economy booms, the regional office market has benefited from significant tenant demand, especially among innovation, technology, and life sciences companies. The metro’s ability to attract and retain talent has led to supply challenges, particularly in the Boston core and Cambridge. Locations with amenities and transit access continue to perform the best in terms of occupancy and command the highest rents.

Urbanization trends, however, are a challenge for some suburban markets, which have experienced elevated vacancy rates. Large blocks of space are becoming increasingly limited in Boston and Cambridge, putting upward pressure on rents, and creating opportunities for suburban locations to lure larger tenants with more competitive pricing. Suburban office offerings that are mixed-use and transit-oriented will have the most success attracting tenants. The repositioning of aging properties in transit-oriented locations has become a salient trend in the suburbs, as speculative new-build is unlikely in the near term due to ample vacancies and high construction costs. The addition of amenities such as gyms, food service, conference space, game rooms, and outdoor space has taken hold as a way to make use of unproductive space and add value to aging office properties.

Another notable trend is the “urban outpost” model, by which traditionally suburban tenants have multiple locations in order to retain their existing suburban-oriented workforce while simultaneously accessing downtown talent.

Figure 1: Office Space Inventory and Vacancy, City of Newton



Data Source: JLL

Newton Office Space Inventory

The commercial office space inventory in Newton has remained relatively flat over the past four years, dipping slightly from 3.2 million square feet in 2014 Q1 to 3.1 million square feet to 2017 Q4. Meanwhile, office vacancies have risen considerably from 8.5% to 15.2%. Note, however, that the newly renovated and delivered 2 Wells Avenue building accounts for 102,000 square feet of the vacant space. Excluding this building, the vacancy rate in Newton is 12.4%. Vacancy trends over the past several years are shown in Figure 1.

Newton is part of the Route 128/Mass Pike submarket, as tracked by commercial brokerages. According to JLL, office inventory in the city represents about 15% of all submarket space, and Newton's vacancy rate is on par with that of the submarket as a whole, about 15.0%. This compares to 17.8% in the Boston suburbs overall, 8.9% in central Boston, and 5.7% in Cambridge.

Vacancy rates for Class A are higher in Newton than for space overall, at 17.0% (excluding 2 Wells Ave). Class A vacancy rates are also higher in many of the comparison markets, though Newton has the highest spread in vacancy between Class A and Class B/C properties. Class A space also comprises a significantly lower share of all office space in Newton as compared to other markets. Only a third of office space in Newton is considered Class A by commercial brokerages, compared to 61% in the metro overall, and 63% in both the Rt. 128/Mass Pike submarket and Boston suburbs overall.

Rents in Newton and Rt. 128/Mass Pike submarket are about average when considering the Boston metro as a whole. Class A rents in Newton are around \$38 per square foot, considerably higher than more distant submarkets along I-495 where rents are just over \$20 per square foot, but considerably lower than rents in central Boston and Cambridge where average rents are upwards of \$60 per square foot.

Table 2: Office Statistics, 2017 Q4

Office Statistics, 2017 Q4						
Market	Class A Space			All Classes of Space		
	Inventory (SF)	Vacancy Rate	Rent per SF	Inventory (SF)	Vacancy Rate	Rent per SF
Newton*	1,063,631	17.0%	\$ 38.24	3,124,724	12.4%	\$ 34.07
Rt. 128/Mass Pike Submarket	13,201,608	16.5%	\$ 40.19	20,793,230	15.0%	\$ 37.68
All Boston Suburbs	57,212,727	17.6%	\$ 28.71	90,979,957	17.8%	\$ 25.59
Central Boston	37,955,708	9.5%	\$ 61.06	66,370,589	8.9%	\$ 57.68
Cambridge	7,544,118	6.3%	\$ 69.44	10,107,067	5.7%	\$ 63.60
Boston Metro	102,712,553	13.8%	\$ 40.11	167,457,613	13.6%	\$ 36.44

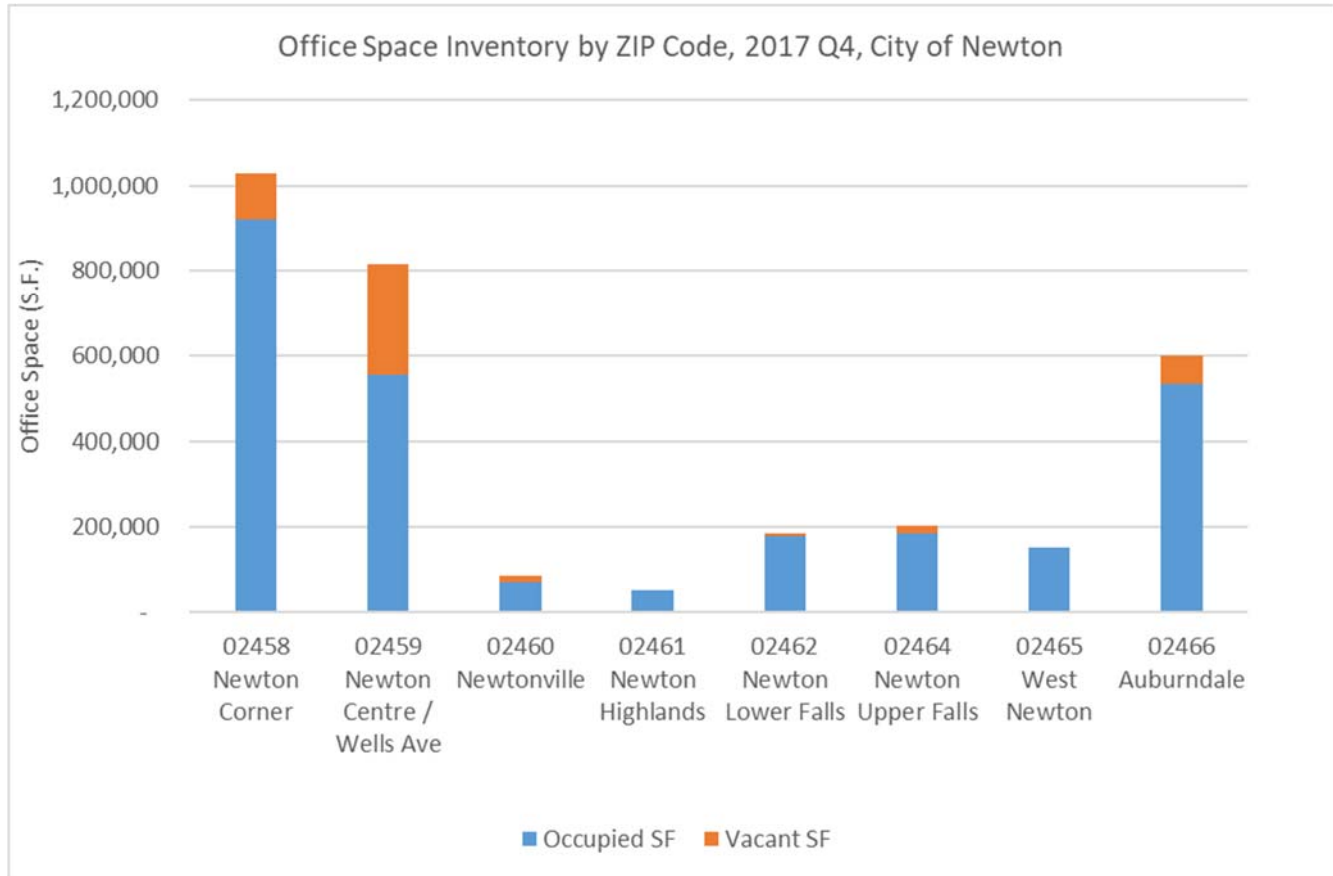
*Vacancy rates adjusted to exclude 2 Wells Avenue. Including 2 Wells Ave, Class A office vacancy rate is 23.1% and overall office vacancy is 15.2%.

Note: Vacancy rate includes both direct and indirect vacancies. Rents reflect direct asking rents.

Source: JLL

Newton’s 3.1 million+ square feet of office space is concentrated in three ZIP codes: 02458 (Newton Corner) with 33% of all space, 02459 (Newton Centre/Wells Ave) with 26%, and 02466 (Auburndale) with 19%. See Figure 2 for the distribution of the city’s office space by ZIP code.

Figure 2: Office Space Inventory by ZIP Code



Rt. 128/Mass Pike Submarket Development Pipeline

Within the Rt. 128/Mass Pike submarket,¹ major recent deliveries include 89 A Street in Needham Crossing, which has been fully leased to Shark Ninja and Steward Health. Bose has leased 100,000 square feet of space at 80 Guest Street, part of the Boston Landing development in Boston’s Allston/Brighton neighborhood featuring nearly 2 million square feet of mixed-use development, a state-of-the-art practice facility for the Boston Bruins, and a new commuter rail station providing access to South Station in downtown Boston. Other developments include POST, a 430,000-square-foot development at the Rt.128/Rt. 2 in Waltham, expected to attract a variety of innovation companies. Needham has recently approved a tax break allowing NBCUniversal to build a new regional headquarters in Needham Crossing.

¹ The Rt. 128/Mass Pike submarket is defined to include the following communities: Newton, Watertown, Waltham, Weston, Wellesley, Needham, Brookline, and Allston/Brighton (part of the City of Boston).

Office Space Demand Projection

To estimate future demand for office space in Newton, we analyzed job projections data for the City of Newton, the Rt. 128/Mass Pike submarket, and the Boston MSA. Table 3 shows the projected increase in employment by industry sector over the next ten years (2017-2027), with sectors that typically utilize office space highlighted in orange.² Collectively, office-utilizing industries in Newton are expected to add about 1,600 jobs, growing slightly slower than the economy overall. According to these projections, Newton will account for a growing share of office jobs of the Rt. 128/Mass Pike submarket, with 30% of the 5,300 new submarket office jobs expected to be located in Newton. Currently, Newton represents about 22% of office jobs in the submarket. The Boston MSA as a whole will add nearly 65,000 office jobs by 2027, of which Newton will account for about 2.5%, consistent with the city's current share of office jobs in the region.

Table 3: Projected Employment Growth in Office-Utilizing Industries, Newton

Projected Employment Growth in Office-Utilizing Industries, Newton					
NAICS	Description	2017 Jobs	2027 Jobs	2017 - 2027 Change	2017 - 2027 % Change
11	Agriculture, Forestry, Fishing and Hunting	68	82	14	21%
21	Mining, Quarrying, and Oil and Gas Extraction	<10	<10	Insf. Data	Insf. Data
22	Utilities	0	0	0	0%
23	Construction	1,536	1,795	259	17%
31	Manufacturing	457	420	(37)	(8%)
42	Wholesale Trade	1,316	930	(386)	(29%)
44	Retail Trade	5,347	5,159	(188)	(4%)
48	Transportation and Warehousing	600	755	155	26%
51	Information	2,335	2,382	47	2%
52	Finance and Insurance	2,387	2,313	(74)	(3%)
53	Real Estate and Rental and Leasing	2,821	3,148	327	12%
54	Professional, Scientific, and Technical Services	7,008	7,739	731	10%
55	Management of Companies and Enterprises	740	774	34	5%
56	Administrative and Support and Waste Management and Remediation Services	4,535	4,685	150	3%
61	Educational Services	21,350	23,345	1,995	9%
62	Health Care and Social Assistance	13,062	15,974	2,912	22%
71	Arts, Entertainment, and Recreation	3,412	3,826	414	12%
72	Accommodation and Food Services	3,678	3,924	246	7%
81	Other Services (except Public Administration)	3,849	4,417	568	15%
90	Government	4,997	5,138	141	3%
99	Unclassified Industry	0	0	0	0%
	Total for Office-Utilizing Industries	25,852	27,448	1,596	6%
	Total	79,506	86,816	7,310	9%

Source: EMSI, Camoin Associates

² This analysis defines office-utilizing sectors to include: Information; Finance and Insurance; Professional, Scientific, and Technical Services; Management of Companies and Enterprises; Administrative and Support; Other Services; and Government. Medical office space users, which are considered in the analysis of medical office building demand, are excluded. Educational Services, which occupy office space in part, are also excluded.

Assuming 175 rentable square feet of office space per job,³ about 280,000 square feet of office space will be required in Newton to accommodate future office jobs. In the Rt. 128/Mass Pike as a whole, about 924,000 SF will be needed and in the Boston MSA, 11.3 million SF.

Table 4: Projected Office Space Demand, 2107-2027

Projected Office Space Demand, 2017-2027							
Region	2017 Total Jobs	Share of MSA Jobs	2017 Office Jobs	Share of MSA Office Jobs	Projected Office Job Growth, 2017-2027	Share of Projected MSA Office Job Growth	New Office Space Demand* (SF)
Newton	79,506	2.7%	25,852	2.2%	1,596	2.5%	279,328
Rt. 128/Mass Pike Submarket	294,753	10.1%	119,849	10.0%	5,279	8.2%	923,770
Boston MSA	2,905,879	100.0%	1,199,385	100.0%	64,718	100.0%	11,325,606

*Assumes 175 SF of space per office job

Source: EMSI, Camoin Associates

While regional and local job growth will be strong, the glut of office space in the region means that even if no new office space is built, there would still be substantial office vacancies. In Newton, new office-utilizing jobs would fill about 60% of existing vacant space, leaving another 200,000 SF still vacant. In the submarket, only 40% of existing vacancies could be absorbed by projected job growth. See Table 5.

Table 5: Future Supply and Demand of Office Space

Future Supply and Demand of Office Space (SF)			
Region	New Office Space Demand (2027)	Existing Vacant Office Space (2017)	Remaining Vacant Office Space in 2027*
Newton	279,328	476,420	197,092
Rt. 128/Mass Pike Submarket	923,770	2,178,265	1,254,496
Boston MSA	11,325,606	14,174,332	2,848,726

*Assumes no construction of new office space

Source: EMSI, JLL, Camoin Associates

This analysis, of course, assumes that existing space will meet the needs of future office users, and is not to say that no new office space will be developed in Newton. In particular, potential large space users will find it challenging to locate acceptable existing space in the city, requiring new-build projects. In addition, dated and obsolete space may be removed from the city's office inventory, prompting the construction of space to satisfy some level of replacement demand. However, on a macro level, the abundance of vacant space in the market will mean that property owners will need to invest in their existing properties, undertaking renovations and adding amenities, in order to compete for a limited number of new tenants.

³ A 2010 report from the U.S. General Services Administration, "Workspace Utilization and Allocation Benchmark," found average rentable office space per employee to be 230 square feet. As a result of efforts to implement more efficient design standards, the typical office standard has declined from around 250 square feet per workstation in the early 2000s to around 190 square feet or less. In addition, a trend toward less personal workspace in favor of larger group space, as well as an increase in teleworking will likely contribute to continued declines in office space per employee. This analysis conservatively assumes 175 square feet per job.

Sites with Office Development Potential

A significant challenge for office space development in Newton is the lack of Class A sites within the city. While the city is physically proximate to downtown Boston, Rt. 128, and the Mass Pike, there are few sites with direct access to transportation infrastructure that Class A tenants require. For example, while much of Needham Street and Wells Avenue Business Park—together comprising the Newton portion of the N² Innovation District—are less than a mile from Rt. 128 onramps and offramps, developers perceive these locations as inferior to the Needham Crossing area, which is directly adjacent to the highway. Moreover, congestion along Needham Street and the traffic bottleneck at the entrance to Wells Avenue work against the desirability of these locations.

The quirky path of Newton's western municipal boundary along the Charles River means that many prime sites with direct access to Rt. 128 fall just outside the city limits in neighboring Needham, Wellesley, or Weston. An exception is the Exit 21/22 interchange area where Rt. 128 crosses Washington Street (Rt. 16) and Grove Street. In particular, the Riverside T station site was identified as a key opportunity property for Class A office development given its accessibility via both automobile and public transit.

Certain areas along Washington Street, including Newton Corner, Newtonville, and West Newton may have some Class A office potential, but are limited by a number of factors. Full direct access via the Mass Pike is present only at highly congested Newton Corner. West Newton is only directly accessible via a partial interchange to/from the east. Commuter rail access should be stressed as an important asset along this corridor, though infrequent service limits its usefulness. In addition, parking along Washington Street is very limited and parcels are highly fragmented, making lot assembly for a sizable project limited.

Nonantum stands out as a potential opportunity area and has existing office development comprising the Charles River Mill District. Further redevelopment of industrial properties is possible in this area, which is proximate to restaurants and other amenities on Watertown Street and in Watertown Square in neighboring Watertown, as well as the Charles River Greenway trail. However, a lack of direct public transit and Mass Pike access are limiting factors to Nonantum's development potential as a Class A office location.

Route 9 also presents some level of office development opportunity, particularly along the stretch with transit access (Newton Highlands and Eliot T stops) and the Chestnut Hill retail area, which offers amenities for office workers that can potentially be integrated. While Route 9 is a major thoroughfare, these sites are likely too far from interstate access for significant Class A development. Moreover, assembling sizeable lots will be a significant challenge all along Route 9. Still, there is likely some potential for small- to mid-scale infill commercial development.

LAB

Greater Boston has the highest concentration of life science researchers in the US. Kendall Square and MIT in Cambridge are the epicenter of life science research activity in the region, and supply of lab space is extremely constrained, with rents surpassing \$75 per square foot. As a result, lab space development has been spilling out of the Kendall Square area into West Cambridge, Boston's Seaport District, and Longwood Medical Area. Outside of the urban core, inner-ring suburbs are becoming increasingly attractive as a "release valve" for more lab space. Bedford, Lexington, Waltham, and Watertown have also seen significant lab space development, with rents in these communities averaging \$43 per square foot. The suburban development pipeline is growing, fueling the evolution of a suburban cluster of life science companies. Unlike in the office market, extremely constrained supply in the lab market has spurred speculative suburban development projects.⁴

There is currently no significant lab space in Newton as tracked by commercial brokerages, a fact confirmed by interviews with lab space developers. Newton is not "front of mind" when it comes to suburban lab space development chiefly because there is no existing cluster of major lab space users in the city. Lab tenants tend to want to locate near other lab space users for both practical and psychological reasons. Not only do they want to be around similar companies in an area that is perceived as a hub for life sciences activity, but the ability to expand into nearby space or sublet unneeded space minimizes risk. Being the only life sciences company in a given location is not optimal for most. While the suburbs to the north of Newton along Rt. 128 are increasingly perceived as a bioscience node, this activity has yet to spread southward.

From purely a locational perspective, Newton could be a viable place for lab space given its proximity to both Cambridge and the Rt. 128 suburbs with existing space. In addition, Boston College is currently undertaking construction of the new Schiller Institute for Integrated Science and Society, which will include laboratory and office space and may present an opportunity for synergies with other lab users. However, the nature of Newton's building stock and limited developable sites presents challenges for any developer interested in creating a sizeable lab node in the city. A minimum of 100,000 SF of lab space would be needed to anchor a potential node, with sites available nearby for additional future development.

In terms of building requirements, lab space requires stronger floor loading relative to office (100 pounds per square foot compared to 70 for office), 13.5- to 14-foot ceilings to run duct work, ventilation with a high air-change rate, good power distribution, and access to wastewater treatment infrastructure. In lab buildings, lower-story space is more valuable as regulations allow for fewer chemicals to be stored on higher stories. Single-story manufacturing buildings tend to be prime candidates for conversion to lab space as they already have or can be retrofitted to have these features.

A potential lab developer in Newton would need to know that the approvals process will be predictable and not overly onerous. Cambridge, Lexington, and Watertown were mentioned in interviews as municipalities with straightforward and predictable processes, and they have seen significant lab space development activity as a result. Designating certain area(s) in Newton where lab space development is permitted by right or with minimal effort would communicate to prospective developers that undertaking a lab project would be welcomed. The most desirable locations for lab space in Newton are similar to prime office space locations: sizable sites that can accommodate substantial development footprints and that offer good access to Rt. 128, the Mass Pike, and public transit.

⁴ JLL. Boston Life Sciences Outlook 2017.

MEDICAL OFFICE

Despite uncertainty in the healthcare industry with the continued speculation around the future of the Affordable Care Act (ACA), nationally the aging population and increasing number of people that are insured are driving an increase in demand. In response, the healthcare industry continues to grow and medical office building (MOB) vacancy rates have fallen. These trends are mirrored locally, where medical office space shows strong potential.

Medical office buildings are trending towards flexible space (flex space) and multi-specialty offices. This allows for the incorporation of a range of medical technology and equipment used in procedures and appointments. Additionally, the amount of technological equipment being used in procedures and appointments has been increasing, further adding to the demand for efficient space. Flex space allows for adaptability as technology changes or the needs of patients change.

Across the Boston region, medical office space vacancies are considerably lower than those of general office space, 6.1%⁵ versus 13.6%. Average gross rents are also lower at \$25 per square foot versus \$35 per square foot, as general office users are typically willing to pay for more prime locations. MOB rent growth in the Boston metro, however, topped 17% between 2017 to 2018 indicating strong demand and constrained supply. Low MOB vacancy, high rent growth, and favorable demographic trends point to opportunities for medical office space development into the future.

Medical Office Space Demand Projection

An examination of regional employment trends in ambulatory care and outpatient services suggests demand for over 5 million SF of new medical office space in the Boston metro by 2027, of which roughly 233,000 SF would be needed in Newton. (Refer to Table 6.) The pace of job growth in ambulatory health is expected to far exceed that of the economy overall, 24% for ambulatory health versus 9% economy wide. This translates into accelerating demand for suitable medical office space.

Table 6: Projected Demand for Medical Office Space

Projected Demand for Medical Office Space					
Region	Ambulatory Health Care Jobs*				New Medical Office Space Demand** (SF)
	2017	2027	2017-2027 Change	2017-2027 % Change	
Newton	3,847	4,780	933	24%	233,250
Rt. 128/Mass Pike Submarket	11,524	13,804	2,280	20%	570,000
Boston MSA	105,834	126,258	20,424	19%	5,106,000

*NAICS 621, excluding Home Health Care Services

**Assumes 250 SF per job

Source: EMSI, Camoin Associates

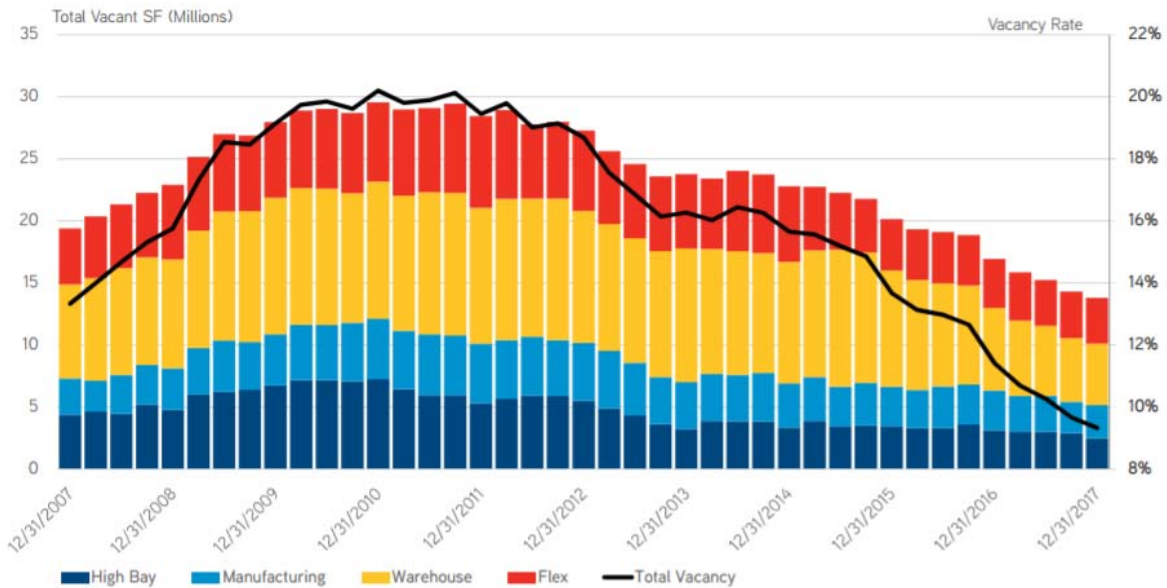
⁵ 2018 Healthcare Marketplace. U.S. Research Report. Colliers.

INDUSTRIAL

The Boston industrial market remains on a hot streak, with absorption of nearly three million square feet of space in 2017 and downward trending vacancies. According to Colliers, market-wide industrial vacancy stands at 9.3%, down 2.1 percentage points year-over-year. As a result, rents are rising rapidly, surpassing \$7.00 (NNN) on average for the first time, a 13.9% increase over last year. While the development pipeline is significant, developers have shown restraint when it comes to spec construction, suggesting stable fundamentals into the future.⁶

Of the industrial product types (flex, manufacturing, warehouse/distribution), the latter has performed the best; the majority of industrial leases signed in Q4 2017 were for warehouse and distribution space. Positive absorption in this category more than compensated for slight negative absorption in the other industrial product types. According to JLL, heightened market activity in warehousing/distribution aligns with trends seen nationally as demand for last-mile distribution continues to rise, particularly in urban areas.⁷ Last-mile distribution refers to the capacity to deliver products ordered online to consumers' homes.

Figure 3: Vacancy by Space Type, Boston Metro, Q4 2017



Source: Colliers International

Newton has a small amount of commercially tracked industrial space, about 200,000 square feet, all of which is Class B and C space located in the Newton Corner/Nonantum area.⁸ This space accounts for just 6% of industrial space in the Rt. 128/Mass Pike submarket, compared to the city's 15% share of submarket office space. Despite the strength of the industrial market regionally, opportunities for industrial space development in Newton are limited due to land availability constraints, as well as high land costs that do not justify comparatively low-value types of development.

⁶ Colliers International. Greater Boston Industrial Viewpoint Q4 2017.

⁷ JLL. Boston Industrial Insight. Q4 2017.

⁸ Data provided by JLL

RETAIL

As online shopping volume continues to grow, retail disruption is happening quickly. Increasingly, virtual and physical presence are finding synergy rather than competition, and one of the major themes of 2017 was the rapid convergence of online and brick and mortar sales. A number of formerly online-only retailers are starting to see that a brick and mortar presence can be an integral part of their omni-channel and consumer experience.⁹

In order to maximize the benefits of this model, retailers have been working to reposition stores, close unproductive units and improve their mobile apps so that people can shop from their phones anywhere—even in the store itself. The omni-channel approach is also causing some retailers to rethink their footprint and number of locations in areas where the real estate is expensive. Many of these companies are choosing to have a single well-located store. Encouraging customers to shop online also means that retailers can keep less on-site storage, further reducing their footprints.

The move towards experiential retail has had the most influence on a reimagined tenant mix. The sectors that have seen the most growth in recent quarters are fitness, food, entertainment, and service. Gyms were historically viewed as undesirable users, to the point where many leases prohibited them, along with tenants like adult shops and gambling halls. However, the big box gym has now come to be seen as a desirable anchor that can drive traffic in non-peak hours and provide landlords with recognizable brand-name tenants with solid business models. The success of traditional big box gyms has spawned an explosion in recent years of boutique fitness studios. Yoga, Pilates, and spin studios were the trailblazers of this segments, while newcomers include dance workouts, personalized group training, and boxing.

Entertainment concepts are also backfilling a lot of second-generation box retail, after overcoming similar resistance as the fitness sector. Growth and evolution of traditional uses are also being seen here. Those properties with clear heights of at least 17' are ideal for trampoline parks, and tenants like Sky Zone, Launch, and Altitude have taken spaces anywhere from 20,000 to 40,000 square feet. Round1 features specialty arcade games, bowling, ping pong, and karaoke, and specialized concepts like axe-throwing, Top Golf, glow-in-the-dark mini golf and bowling, and indoor "micro" amusement parks have also been looking to grow their footprints in Massachusetts.

Much of the retail development currently in the pipeline in the Boston suburbs is planned as part of mixed-use development. Notable examples include grocery-anchored projects with high-end apartments or townhouses like the Merc in Waltham. Traditional enclosed malls are continuing to struggle, as consumers make their preferences for these mixed-use centers known. While the retail sector disruption remains ongoing, it does not necessarily mean death; it means evolution.

The core retail markets inside and along Route 128 have seen record-setting rents as of late, and are expected to remain steady. In this area, average rents of \$50-\$55 per square foot NNN¹⁰ for small shop space and \$25-\$30 per square foot NNN for larger spaces are common. For every operator that comes into this area aggressively but cannot sustain sales sufficient to cover high rents, there are strong tenants ready to backfill that space. Recent successful retail developments in Newton include The Street Chestnut Hill and Newton Nexus.

In non-core markets where tenant demand has cooled, there will be a continued effort by landlords, developers, and lenders to reposition and repurpose assets. Dated, lower quality, and less desirable properties will need to transition from traditional retail to a focus on experiential categories like fitness, food, and entertainment.

⁹ CBRE/New England 2018 Market Outlook

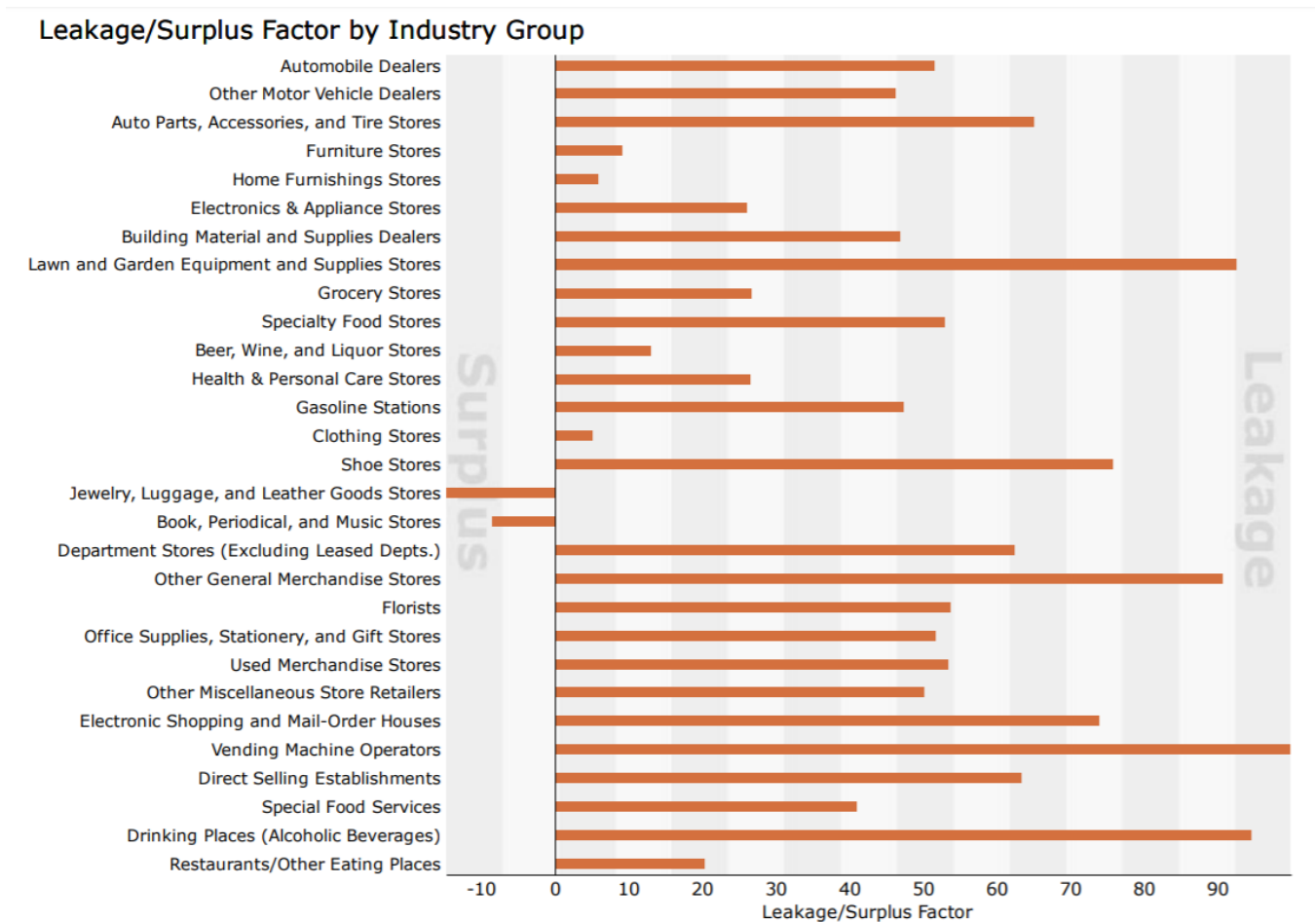
¹⁰ NNN, or "triple net," refers to a lease arrangement where the tenant is responsible for property taxes, maintenance, and insurance expenses, beyond the base rent amount

Retail Gap & Potential Analysis

In a retail gap analysis, the existing retail sales (“supply”) of trade area businesses are compared to the estimated retail spending of trade area residents (“demand”). For this analysis, the trade area is defined as the City of Newton. The difference between demand and supply is referred to as the retail gap. The retail gap can be positive or negative. Note that existing retail sales are specific to the defined trade area whereas retail spending is an estimate of gross spending by residents living in the trade area regardless of where the retail spending occurs.

When the demand (spending by trade area residents) for goods and services is greater than sales at trade area businesses, sales are said to “leak out” of the trade area creating a positive retail gap (i.e. sales leakage). Conversely, if the supply of goods sold (local trade area sales) exceeds trade area demand (spending by trade area residents), it is assumed that non-residents are coming into the trade area and spending money, creating a negative retail gap (i.e. sales surplus). Figure 4 illustrates the leakage and surplus factor by retail category for the city.¹¹ Almost every category shows sales leakage. This means that Newton residents are leaving the city to make many of their retail purchases.

Figure 4: Retail Leakage/Surplus Factor by Retail Category, City of Newton



Source: Esri

¹¹ The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area.

Sales leakage and sales surplus carry different implications. In many cases, sales leakage presents an opportunity to capture unmet demand in a trade area since a percentage of residential spending occurs outside the trade area. This demand can be met within the trade area by opening new businesses or expanding existing businesses within retail sectors that show sales leakage. However, not all retail categories that exhibit sales leakage within a particular trade area are a good fit for the region.

A sales surplus might exist for several reasons. For example, the region might be a popular shopping destination for tourists and other out-of-towners, or a cluster of competing businesses offering a similar product or service may be located within the trade area, creating a specialty cluster that draws in spending by households from outside the trade area. Alternatively, a sales surplus could be an indicator of market saturation.

Sales leakage of retail categories in Newton was compared to average sales of similar business in the Boston MSA. This allows us to identify which industries with sales leakage may have enough unmet demand to warrant opening a new store or expanding existing stores. Additionally, the amount of supportable square foot is provided based on average sales per square foot for each retail category.

Table 7 identifies the number of new businesses that theoretically, could be supported in Newton assuming:

1. 10% of the sales leakage is recaptured (this is typical among various retail categories), and
2. New businesses have sales comparable to the average sales of all Boston MSA businesses in the same retail category.

Table 7: Supportable Retail, City of Newton

Supportable Retail, City of Newton							
A	B	C	D	E	F	G	H
NAICS	Retail Category	Retail Gap	10% Leakage Recapture	Average Sales per Business	Supportable Businesses (D / E)	Average Sales per SF	Supportable SF (D / G)
7225	Restaurants/Other Eating Places	\$ 83,449,535	\$ 8,344,954	\$ 746,006	11	\$ 350	23,843
4451	Grocery Stores	\$ 161,505,222	\$ 16,150,522	\$ 4,707,055	3	\$ 500	32,301
4441	Bldg Material & Supplies Dealers	\$ 93,157,657	\$ 9,315,766	\$ 3,092,156	3	\$ 350	26,616
4539	Other Miscellaneous Store Retailers	\$ 31,093,473	\$ 3,109,347	\$ 845,926	3	\$ 300	10,364
4461	Health & Personal Care Stores	\$ 63,062,722	\$ 6,306,272	\$ 2,991,827	2	\$ 400	15,766
4529	Other General Merchandise Stores	\$ 78,144,980	\$ 7,814,498	\$ 3,628,365	2	\$ 500	15,629
4511	Sporting Goods & Hobby Stores	\$ 29,405,729	\$ 2,940,573	\$ 1,418,317	2	\$ 250	11,762
4413	Auto Parts, Accessories & Tire Stores	\$ 29,597,557	\$ 2,959,756	\$ 1,003,741	2	\$ 300	9,866
4532	Office Supplies, Stationery & Gift Stores	\$ 21,554,300	\$ 2,155,430	\$ 1,024,969	2	\$ 300	7,185
4521	Department Stores	\$ 161,061,631	\$ 16,106,163	\$ 15,157,405	1	\$ 250	64,425
4431	Electronics & Appliance Stores	\$ 42,772,212	\$ 4,277,221	\$ 2,147,270	1	\$ 500	8,554
4482	Shoe Stores	\$ 18,297,880	\$ 1,829,788	\$ 1,376,101	1	\$ 300	6,099
7224	Drinking Places - Alcoholic Beverages	\$ 14,855,317	\$ 1,485,532	\$ 891,610	1	\$ 250	5,942
4442	Lawn & Garden Equip & Supply Stores	\$ 11,912,228	\$ 1,191,223	\$ 730,531	1	\$ 250	4,765
4452	Specialty Food Stores	\$ 11,675,260	\$ 1,167,526	\$ 823,975	1	\$ 350	3,336
4531	Florists	\$ 5,989,460	\$ 598,946	\$ 316,614	1	\$ 200	2,995
4533	Used Merchandise Stores	\$ 5,428,955	\$ 542,896	\$ 297,355	1	\$ 200	2,714
	Total				38		252,163

Source: Esri, Camoin Associates

The retail gap analysis shows that a substantial amount of retail spending is “leaking” out of Newton, with some degree of leakage in almost every retail category. Assuming 10% retail leakage recapture, upwards of 250,000 square feet of net new retail could be supported in the city. In particular, department stores and grocery stores stand out in terms of supportable square feet. In addition, at least 11 new restaurants could be supported.

Retail Space Affordability

Newton is undoubtedly a desirable destination for retailers due to its relatively high population density and very high disposable incomes. This attractiveness, however, comes with its challenges. Strong retail demand in Newton has put upward pressure on rents, making it difficult for small mom-and-pop shops to stay in the city. Retail rents that easily top \$30 or \$35 per square foot NNN¹² are often unaffordable to smaller retailers who do not have the sales volume to cover space costs. Interviews with local shop owners revealed mounting concerns about a potential exodus of these stores to more affordable communities, and the impacts of these relocations on the character of Newton and its villages.

HOTEL

Consumer preferences within the hotel industry are expanding from traditional hotels that merely offer a place to rest your head at night to establishments that aid travelers in developing experiences. Some of this change is attributed to the influx of millennials who, in comparison to previous population cohorts, such as baby boomers or Gen X, travel more and are more passionate about travel. They value communal spaces, digital connectivity and local design touches to broaden their travel experience.

The retail industry has capitalized on hotels with major retailers opening up branded hotels rich in experiences. This trend began over a decade ago when high-end fashion designers merged with hotels to create a completely shoppable hotels where hotel furnishings and décor are all available for purchase. Currently the high-end fashion hotel market includes rooms created by designers such as Versace, Fendi, Tommy Hilfiger, etc. in which customers can experience all senses of the brand in the highly curated spaces.

Williams-Sonoma plans to open branded hotels starting in late 2018 in Charlotte, North Carolina; Detroit, Michigan; Indianapolis, Indiana; Oakland, California; Minneapolis, Minnesota; Savannah, Georgia; and Portland, Maine. This expansion from home retailer to hotel curator allows the brand to connect with customers during out-of-town visits.¹³ West Elm, a Williams-Sonoma brand, aims to create hotels that reflect the mood of its host city while combining an opportunity for customers to interact with West Elm products in an intimate, non-manufactured setting.

Additionally, the hospitality industry has embraced the sharing economy through house sharing. Companies such as AirBnB, allow customers to gain access to entire homes, lofts, and even boats. These accommodations offer a local experience unparalleled to that of a traditional hotel and can sometimes be a fraction of the cost. Despite the increase in supply of accommodations due to house sharing and boutique hotels, the hotel market remains strong.

When perusing accommodations, hotel customers may choose one establishment over another based on available features and amenities. Connectivity is considered a highly sought after amenity, both in terms of shared space and technology. Guests want fast and free Wi-Fi along with charging ports in common areas. Hotels are incorporating communal spaces where both guests and residents can be brought together in a collective setting. In terms of business traveler connectivity, typically larger properties are associated with amenities such as conference rooms and event spaces giving large hotel corporations a competitive advantage in the business traveler market.

Other sought-after amenities include spas, restaurants, and bars. The latest hotel trends suggest there is a movement towards luxury amenities such as in-room purifiers, branded amenity products as well as music and

¹² Based on LoopNet property listings

¹³ <http://www.retaildive.com/news/are-hotels-the-new-frontier-in-experiential-retail/505878/>

entertainment. Additionally, there has been a shift towards sustainability within hotels with features such as high efficiency lighting, energy management sensors, and towel/linen reuse programs.¹⁴

Location of hotel and motel establishments is driven by an area's attractions. Guests want to be where the action is, in close proximity, and ideally within walking distance of restaurants, shopping, and other recreational amenities. The industry also targets locations with emerging millennial populations as a signal of popular destination locations. In general, accessibility through robust transportation infrastructure as well as close proximity to employment centers, universities, and other visitor attractions is critical to success.

Greater Boston Hotel Trends

The Greater Boston hotel market has been historically strong, bolstered by strong business and leisure segments. In the Boston suburbs, demand has increased steadily since 2009 despite a slight dip in 2016. However, growth in supply continues to outpace demand, indicating the need for additional rooms will be limited over the short term.

New supply in the Newton area includes three hotels recently completed or under development in Waltham: a 138-room Hampton Inn, a 100-room Residence Inn, and a 90-room Fairfield Inn. Other nearby developments include a Residence Inn and a boutique-style Archer Hotel in Burlington, and a Courtyard Marriott in Westwood. Three major hotels currently exist in Newton, comprising 891 rooms:

- Hotel Indigo Boston–Newton Riverside – 191 rooms
- Boston Marriott Newton – 430 rooms
- Crowne Plaza Boston–Newton – 270 rooms

According to projections from Pinnacle Advisory Group, occupancy and revenue per annual room (RevPAR) in the Boston suburbs will decline slightly through 2018 despite an increase in average daily rates (ADR).¹⁵ See Table 8.

Table 8: Suburban Boston Hotel Performance Projections

Suburban Boston Hotel Performance Projections			
	2017	2018	Pct. Change
Occupancy	68.50%	67.00%	-2.2%
Average Daily Rate (ADR)	\$ 140.50	\$ 142.50	1.4%
Revenue per Available Room (RevPAR)	\$ 96.24	\$ 95.48	-0.8%

Source: Pinnacle Advisory Group

Sluggish office and lab space development in Newton compared to nearby suburbs will likely translate to somewhat flat demand for hotel rooms in the city over the short term, and therefore limited demand for any sizeable hotel development. However, the niche boutique hotel market may present opportunities if a substantially differentiated product can be offered that responds to trends in consumer preferences.

¹⁴ American Hotel & Lodging Association

¹⁵ 2018 Hotel Outlook. Pinnacle Advisory Group.

RESIDENTIAL

The City of Newton recently commissioned a Housing Needs Analysis that lays out strategies for addressing the city's current and projected housing needs. Key findings as presented in the Housing Needs Analysis include the following:¹⁶

- Newton's population is aging, and seniors will be a key driver of housing demand into the future.
- Newton is particularly attractive to families with school-age children, especially older-parent families, who seek to take advantage of the city's high-quality school system.
- The young adult population in the city, those between 25 and 45, has declined, and has done so at a faster rate than in the surrounding region.
- Housing diversity is limited, with multifamily units accounting for only 8% of the total housing stock.
- Approximately 31% of all new housing development since 2005 has been multifamily units, but this has not made a significant dent in the overall housing type and price mix.
- The relatively low level of development activity is not having a substantial impact on the variety of housing types or prices in the city. All new development since 2005 that was not accomplished through a public-private partnership has focused exclusively on the high-end market (200% of area median income and up).
- The Housing Needs Analysis cites a projection from MAPC of 1,900 new households in Newton between 2010 and 2030, based on a status quo population scenario. Between 2010 and 2017 the City gained approximately 1,100 households. This status quo scenario assumes the continuation of current rates of birth, death, migration, and housing occupancy.

The findings of the analysis point to an urgent need for significant multifamily housing construction in the city that can help to increase supply and stabilize soaring prices. Moreover, development of affordable multifamily housing is critical for general economic development within the city. As revealed in interviews with a variety of stakeholders, in order to successfully attract and retain large employers, the city will require a housing stock that is accessible to a diverse workforce, in terms of both age and income. Employers want access to talent, and if the talent cannot afford to live in Newton, business attraction efforts will continue to be hampered.

¹⁶ Housing Needs Analysis and Strategic Recommendations - City of Newton, Massachusetts. RKG Associates, Inc. June 2016.

Camoin Associates, Inc.
120 West Avenue, Suite 303
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
@camoinassociate



Appendix: E

City Capacity Analysis

ECONOMIC DEVELOPMENT STRATEGY CITY OF NEWTON, MASSACHUSETTS

April 2018

Prepared for:

City of Newton
1000 Commonwealth Avenue
Newton, MA 02459



120 West Avenue, Suite 303
Saratoga Springs, NY 12866

518.899.2608

www.camoinassociates.com

Table of Contents

Introduction	1
Planning and Development Review Process Assessment	1
Transportation Assessment	2
Water and Sewer Infrastructure Assessment	8
Marketing and Attraction Assessment.....	9



Introduction

As part of the economic development strategy being prepared for the City of Newton, a review of the city's capacity related to economic development was conducted. This includes both city processes and development review, transportation infrastructure, water and sewer infrastructure, and the city's marketing and economic development capacity. The information gathered from this assessment will inform the development of targeted strategies and tasks that will build off of the existing capacity and mitigate any related challenges.

Planning and Development Review Process Assessment

A major factor in any community being attractive to new businesses and developers is the ability to offer a predictable and efficient permitting process. Permitting processes and site plan review requirements are in place to protect property value, the environment, and neighboring parcels and they ensure that development is in line with community values. However, there are often ways that process and procedural issues can unintentionally hinder development. To gain insights into the permitting process, interviews were conducted with representatives from the City's Planning Department. Some of the major findings of this interview as well as discussions with others familiar with the process are outlined below:

- The Planning Department estimates the process can take as little as four months for minor projects. Larger projects with respect to size, scale, and/or density can take longer including multiple presentations to the Land Use Committee, and to the neighborhood
- The first step requires the petitioner to schedule meeting with the Development Review Team which is an internal group of City staff which reviews the project with the petitioner, providing feedback and direction for next steps.
- The petitioner then submits plans to the Chief Zoning Code Official who reviews the petition regarding zoning and produces a memo outlining the relief required from the Newton Zoning Ordinance. The Chief Zoning Code Official has 45 days per the City's Ordinances to review the petition, but reviews are often done sooner.
- The petitioner then files with the Planning Department and City Clerk to schedule a public hearing with the Land Use Committee. During the public hearing, Councilors and members of the public may offer comments and ask questions. At this stage, questions may require the petitioner to collect additional information and return for a subsequent meeting(s) before the Committee approves the petition. Once approved by the Land Use Committee, the City Council votes on the petition.
- If approved by City Council, the petitioner records the special permit at the Registry of Deeds and files for a building permit. a building permit which may require review from the Engineering Division, in addition to Current Planning staff before the Inspection Services Department has the opportunity to review. Per State law, Inspection Services has 30 days to review and issue the permit.
- The special permit process is governed by M.G.L. 40A which requires a public hearing, a 2/3 majority vote of the City Council, and a 20-day appeal period. The only additional layers of review placed upon the proponent are the DRT and the zoning review. There is no formal customer service survey or similar tool used to identify and/or address areas for improvement with the process.
- The ongoing re-write of the city's zoning ordinance, Zoning Redesign, is intended to bring a large number of parcels into conformance with the zoning ordinance allowing for greater predictability for both residents and developers. and tailor the type of development review to the type of petition. For example, under the current process, an addition to a single-family home requires many of the same milestones as a multi-family development. By tailoring the review process to the type of request, the permitting process can be simplified.

- Many of the large developers, attorneys, and design professionals are familiar with the process and understand the stages but it can be complicated for someone unfamiliar with the process. Staff have created flyers and are on hand to answer any questions regarding the process.

Opportunities

Based on information gathered from those familiar with the process and who have gone through a development review, there is room for improvement. Finding ways to make the process more efficient and predictable for applicants will benefit the community and ensure that the city continues to develop and grow in a way that is sustainable. The economic development strategy will include recommendations for improvements that are feasible, practical, and in line with the goals and vision for the city's future.

Transportation Assessment

Background

In February 2017, the Mayor of Newton presented a Transportation Strategy for Newton, which acts as a comprehensive guide for Newton to create a more equitable, economically, and environmentally sustainable multimodal transportation system by 2040. Heavily based in a vision developed through community outreach, this guide synthesizes stakeholder input with past plans and examines what strategies need to be implemented to fulfill the community's wishes to sustain and build on Newton's reputation as a safe, smart, accessible, livable, and sustainable community. Newton's ability to meet established economic development goals hinge upon the ability to implement these strategies, which will help the city overcome barriers to access and retain its economic competitiveness within the region.

As part of stakeholder outreach for the economic development plan, the community was engaged to further understand how transportation impacts a range of issues. These inter-related issues include: employers' ability to attract and retain staff, business owners' ability to attract customers, property owners' ability to attract and keep residents, and resident's and employees' ability to get to and from their jobs and needs safely and efficiently by any mode they might choose. The following is a summary of the transportation assessment as it relates to economic development.

Existing Transportation Conditions

Newton's tree-lined residential streets and walkable village centers makes it one of Boston's most attractive addresses and creates a high quality of living for workers and residents of all ages, abilities, and backgrounds. The City has been embracing approaches to accommodate the demand for improving its housing supply and costs while also reducing traffic and parking demand through added and enhanced options for getting around.

Currently, even though most Newton streets are lined with sidewalks and the city has thorough transit coverage, a high percentage of Newtonians still drive to work (see Figure 1), even higher than close by peer communities with similar transit access. Notably, telecommuting is also growing trend in Newton and the city has the highest share compared to peers. With changes in the job market, increased accessibility, and increased acceptance by employers, this trend may continue to grow.

An assessment of commuting trends in Newton finds that 74% of Newton residents work outside of Newton (ACS 2010, 5-year estimates), and, of those that commute, most commute eastward to Boston (see Figure 3). Over 78% of Newton's total employees live outside of the City of Newton, and most commute into Newton from the West (see Figure 4). On a more granular level, the City is working to examine where the employee base of particular sectors and areas originates. For example, where do employees that work in service for restaurants along a

particular corridor work and, of those employees and unique shift hours, how realistic and accessible are non-driving options?

Based on current population and employment density, high frequency fixed route transit can be supported in most areas throughout Newton (See Figure 5). The City of Newton could leverage this opportunity to accommodate transportation as development continues to occur. Many Newton employers and education institutions currently offer private shuttle services to connect to other transportation services and the City of Newton is planning to further evaluate these services as part of a larger system. Other on-demand transportation service companies also exist in Newton to fill gaps in short trips, like those connecting students between their schools and activities.

The City is currently working to implement the Transportation Strategy's recommendations. The first wave of implementation includes: upgrading pavement quality by following a prioritized system generated by the city's pavement quality index, upgrading safety measures in West Newton, evaluating what can be implemented to achieve multiple goals along the Washington Street corridor, and carrying forward state projects for the Needham Street corridor. As part of ongoing work, the City is also updating its zoning to reflect what Newton would like to see through more transit-oriented and transportation-demand-managed development.

Figure 1: How Newton Gets to Work as Compared to the Region

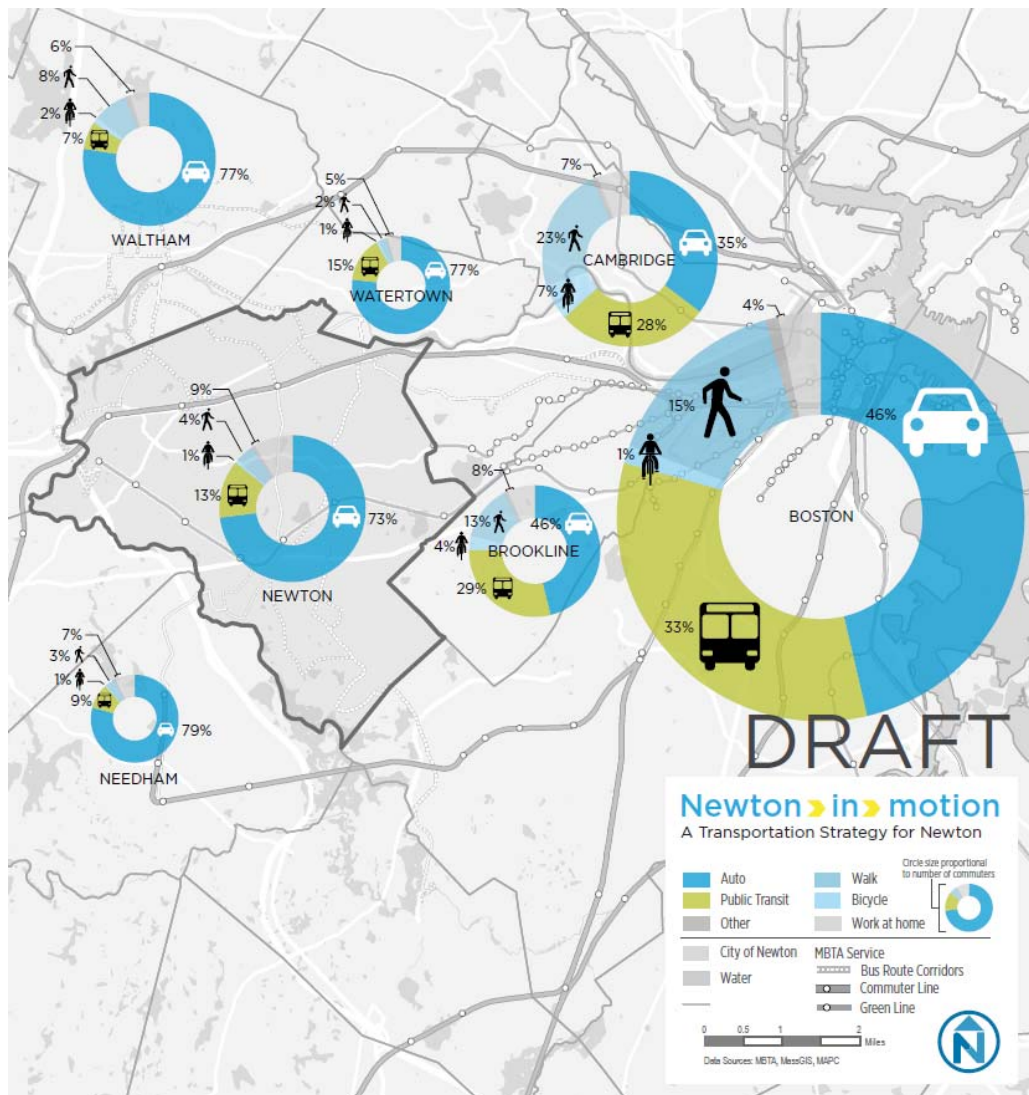


Figure 2: Newton's Mode Split

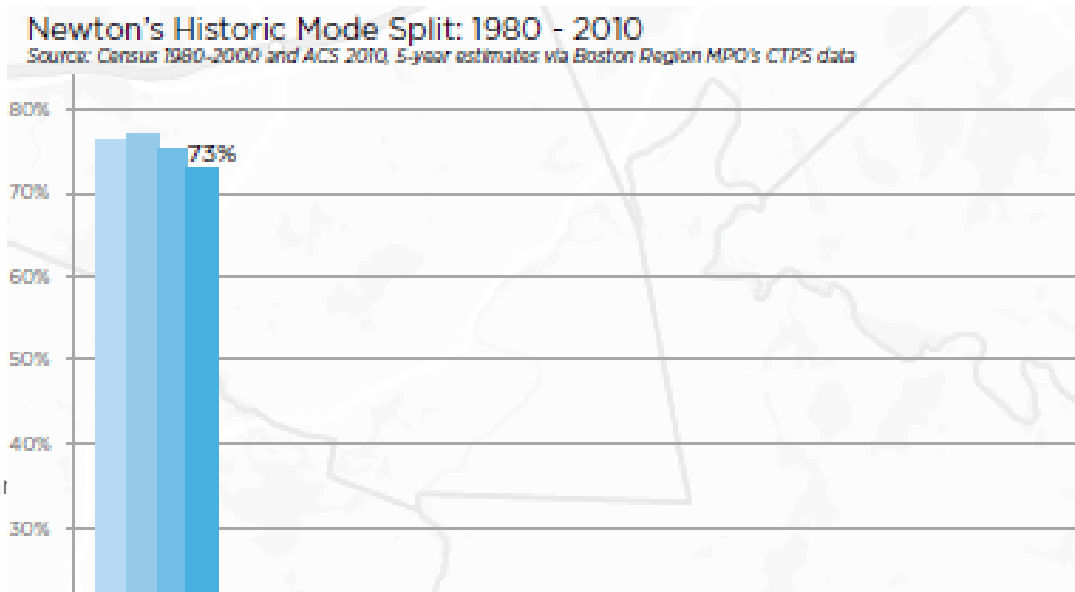


Figure 3: Place of Work of Newton Residents

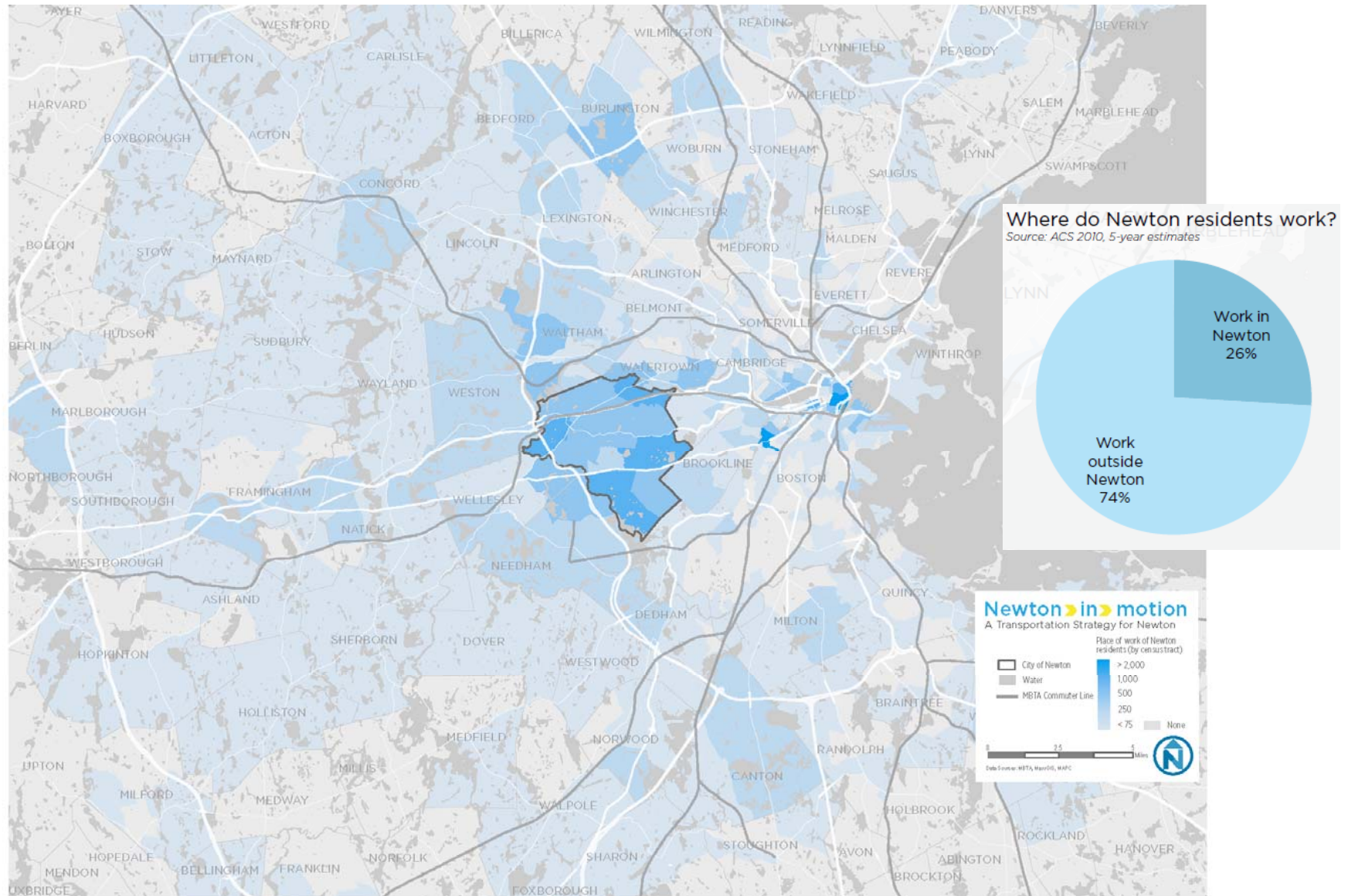


Figure 4: Residence of People that Work in Newton

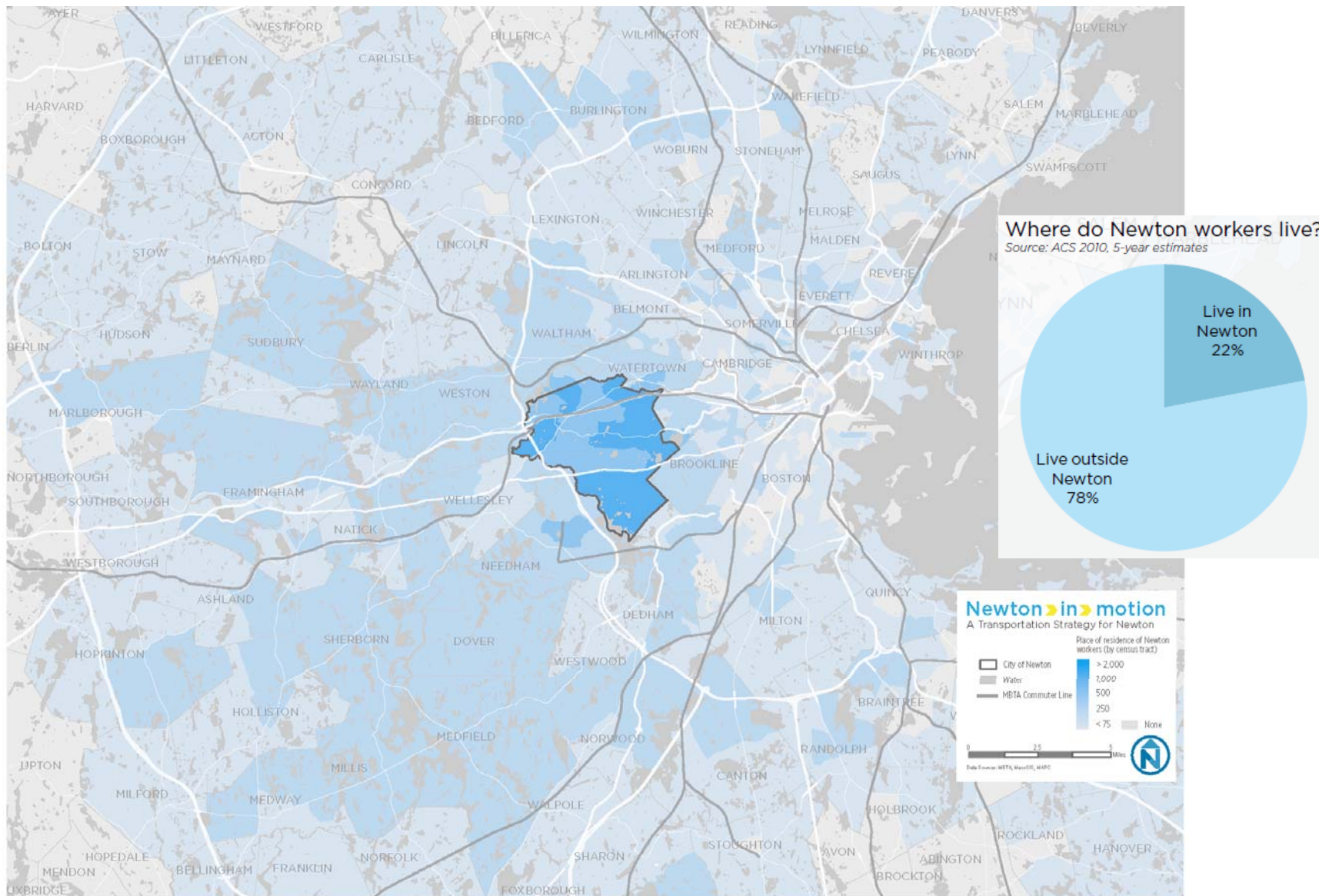
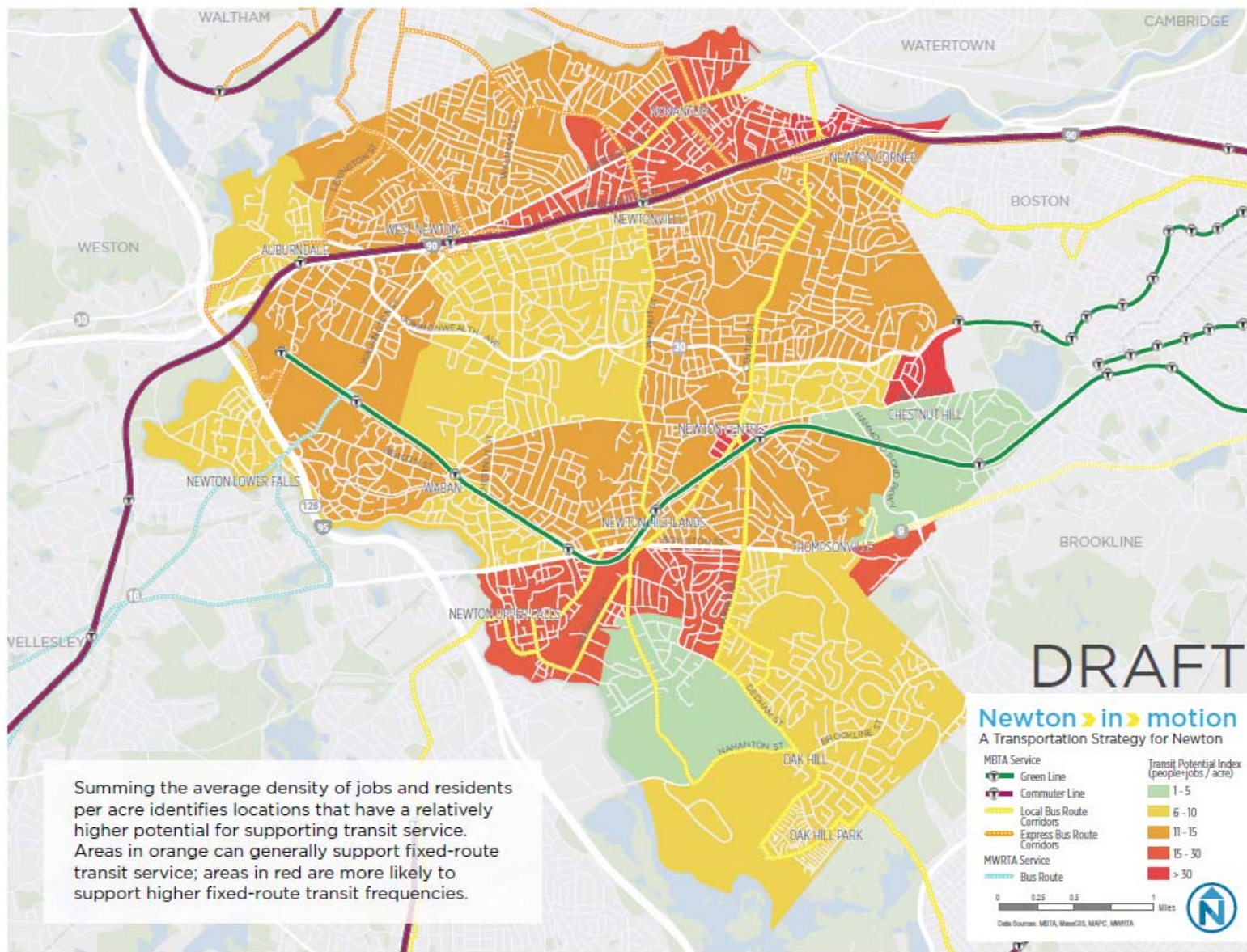


Figure 5: Transit Potential



Source: MBTA, ACS 2010, 5-year estimates via Census Transportation Planning Products



Opportunities

Transportation related issues are directly related to many of the economic development challenges being faced by Newton. Employers report finding it difficult to hire and retain workers who rely on public transportation due to limited accessibility of some areas of the city and limited transportation options. Business owners also mention parking challenges as limiting their ability to get customers to stop at their shop or return. Finally, quality of life issues related to increased congestion on the main roads, difficulty finding parking in neighborhoods and village centers, and reliance on personal automobiles for commuting. These are issues that are being faced on a daily basis by employers, workers, and residents in Newton and must be addressed as part of an economic development strategy.

Newton's transportation plans aim to amplify the character of the attractive and thriving village centers, wherein compact housing with a mix of uses and good transit access creates environments where people regularly walk and interact on sidewalks, in cafes, and at the transit stop. Newton has many opportunities to leverage the economic development context through its existing and planned transportation context. Opportunities like the dockless bikeshare pilot should be evaluated in terms of how they help the city overcome first and last mile challenges to reach transit and for their impact on parking demand within village centers. The potential success of mixed use developments can be analyzed on the impact they will have on reducing driving trips through the creation of a "park once" environment, where Newtonians can leave their car and walk or bike between multiple destinations. According to multiple stakeholders, increasing transportation safety across modes can have a reciprocal effect not only on attracting and sustaining businesses and employees, but also on the value of the retail environment.

Water and Sewer Infrastructure Assessment

An important consideration in the growth of the City of Newton is the water and sewer infrastructure and its ability to accommodate new growth. An assessment of the water and sewer infrastructure capacity was conducted to ensure that the recommendations outlined in the strategic plan are aligned. The following is a summary of an interview with City Engineer Lou Taverna.

Water System

The City of Newton water system was originally built 100 to 120 years ago. Most residential areas have 6-inch diameter pipes and most commercial areas have 8- or 12-inch diameter pipes. Typically, when a developer wants to do a substantial project there will be water flow issues tied to fire protection resulting from the pipes being undersized. The City will handle and pay for any of the water main upgrades necessary for fire protection for the large projects, since it is a public safety issue.

Since the pipes in the city are so old they are very thick and therefore typically do not leak, however they are prone to corrosion and therefore there are some issues related to reduced water flow that can be mitigated by replacing, cleaning, and/or lining the pipe. The newer pipes, about 50 to 60 years old, are not as thick and therefore more prone to leakage. The City of Newton spends millions of dollars each year upgrading the water mains including cleaning, upgrading the diameter, and other projects. The city is one of 60 communities that purchase water from the Mass Water Resources Authority and accounts for approximately 5% of the Authority's total use. Mass Water Resources Authority offers high quality water and has no issues related to capacity.

Sewer System

The sewer system was designed 50 to 100 years ago during a time when people did not anticipate the growth that the city was going to face. The sewer mains are old and small, and prone to leakage where storm and ground water leaks into the pipes. Since the pipes are undersized already, the leakage takes away capacity from proposed developers and therefore any developer that wants to build a large development is required to pay a mitigation

fee. The mitigation fee is intended to clean and line the pipes to stop the infiltration of the ground and stormwater. This fee can get expensive, but it is required and the developers understand that it is part of the price to pay to develop in Newton. The City contracts for Mass Water Resources Authority to take the sewage to their wastewater treatment plant. Since the wastewater treatment plant is a fixed size they encourage all of their communities to line and clean the pipes to reduce the extraneous ground and storm water from leaking into the sewer mains.

Stormwater

In addition to the water and sewer system, the City of Newton maintains a stormwater system that was built 100 years ago that discharges to the Charles River. As the city continues to develop, stormwater management has become more and more important. Developers are expected to manage and contain stormwater on-site by building stormwater holding tanks that are large enough to hold rainfall amounts below a 100-year storm. For storm events greater than a 100-year storm, the excess rain is allowed to go into the city's stormwater system. The developer pays the cost to design and build this stormwater management system.

Opportunities

The City of Newton spends millions of dollars each year upgrading their water, sewer, and storm sewer system to ensure that it does not get to a point where it is beyond repair or there is an emergency. The costs paid by a developer looking to develop in Newton include a sewer mitigation fee, traffic mitigation fee, and tree mitigation fee. Although these costs may be above and beyond what a developer would pay further outside of the 128/495 belt, they are more typical for the core communities who are dealing with older systems and increased development pressure. It is not common for a developer to choose to locate somewhere else simply because of the fees associate with infrastructure. The existing water, sewer, and stormwater systems do not present a challenge to development at this time.

Marketing and Attraction Assessment

A review of the existing marketing and attraction efforts was also conducted to identify areas where there may be opportunities to cultivate new approaches or refine the focus of existing resources. The first step was to review the existing economic development efforts including the economic development department and the Economic Development Commission.

As outlined on the City of Newton's website:

The Economic Development division is responsible for attracting new companies to locate in Newton

- *We serve as a resource to support and assist local Newton businesses to thrive in the city.*
- *We help identify suitable commercial space including retail, office, or industrial.*
- *We help with recruitment of a local highly skilled workforce.*
- *We provide assistance with licensing and permitting and serve as the coordinating point of contact for any other government function in the City for economic development.*
- *We help identify local City projects and provide partnering opportunities for companies to sell their services within the City.*
- *We offer assistance with local loans and possible available economic incentives.*
- *We partner with the Newton-Needham Chamber of Commerce on local events and marketing opportunities as well as the promotion of the N2 Innovation District.*

We work in collaboration with MassChallenge and the Cambridge Innovation Center to run the Newton Innovation Center (NIC), a center based in a municipal building for start-up companies.

The economic development department currently has two primary staff and is supported by the Economic Development Commission.

The Economic Development Commission was established by City ordinance with a mission to promote and develop business and industry for the purpose of strengthening the local economy, providing jobs, and expanding the City's tax base. The Commission promotes, assists, and encourages existing and new business, industry, and commerce in Newton and advises and makes recommendations to City officials and staff.

The City of Newton economic development department employs a number of strategies around business attraction, expansion, and retention. As part of the economic development strategy it is important to understand the existing capacity and tools being used related to economic development. The following is a summary of the information gathered from Kathryn Ellis, Director of Economic Development for the City of Newton during an interview related to marketing efforts.

- The economic development department is located in the Newton Innovation Center in Newton Corner which allows direct contact and frequent engagement with the start-up businesses that are located there.
- The department is using social media, specifically LinkedIn, to identify potential leads, make connections with decision makers, and stay connected with the targeted industry leaders.
- The department also uses Twitter to highlight expansions and other economic development related news.
- The City's website does not include an obvious or easy pathway to the economic development department page. A new web address MakeItNewton.com was created to allow for easier access to the City's economic development page. There is some information on the site related to demographic, and quality of life, however, it is relatively basic and not directed towards a particular sector or cluster.
- Regular business visitation meetings do occur including approximately 15 per month with Kathryn and an additional 45 being scheduled throughout 2018 with the Mayor with major employers.
- Most business visitation and communication happens naturally with regular walk-ins by the Mayor or economic development department to businesses throughout the city, businesses reaching out to the city for some kind of assistance, as well as a coordinated effort to remain in contact with the businesses.
- The department uses CoStar data to identify potential sites that might be a good fit for businesses looking to locate in the area but does not include this information on their website or publish it anywhere.
- During major development projects, the economic development department works closely with the community to engage, understand issues, and educate the neighbors about what the project will be.

Opportunities

The City of Newton Economic Development Department is doing a lot of work with limited staff, however there is opportunity to focus the existing resources in a more targeted way. Creating targeted marketing materials, refining outreach and business visitation efforts, and continuing to act as a resource for new and expanding businesses will be key to future efforts around economic development. The strategies outlined in the economic development plan will be mostly geared towards the City's planning and economic development departments in partnership with other agencies but the role of economic development department and staff will remain to be the convener and coordinator to ensure all people, organizations, and agencies are moving in the same direction.

Camoin Associates, Inc.
120 West Avenue, Suite 303
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
@camoinassociate



Appendix F: Retail Strategy Research

City of Newton Retail Strategies

The Challenge

Newton's thirteen villages each have their own unique mix of local businesses, historic assets, and public amenities. They are under increasing development pressure from the booming regional real estate market:

The core retail markets inside and along Route 128 have seen record-setting rents as of late, and are expected to remain steady. In this area, average rents of \$50-\$55 per square foot NNN¹ for small shop space and \$25-\$30 per square foot NNN for larger spaces are common. For every operator that comes into this area aggressively but cannot sustain sales sufficient to cover high rents, there are strong tenants ready to backfill that space. Recent successful retail developments in Newton include The Street Chestnut Hill and Newton Nexus.

While these trends are great for the tax base, property owners, and developers, the spike in commercial rents is outpacing sales growth for the city's small businesses. Combined with the need to adapt quickly to eCommerce trends in the industry, competition from national chains, and a limited supply of affordable space, Newton's long-established independent businesses are under threat; some have already shuttered their storefronts. As small local businesses are forced to leave, so goes Newton's sense of place and quality of life.

Recommendations for Leveling the Playing-field

In cities across the U.S. and Canada, developers and funders are focused on catering to large chains who can afford high lease rates and easily cover their debt. Left untouched, city-scale real estate markets and access to capital is increasingly biased towards major retailers. Newton is experiencing these trends first-hand. The following recommendations are designed to address the imbalance of power and level the playing field so the city's otherwise healthy local retail businesses can compete.

Recognize Historic Businesses as Historic Assets

In 2015, faced with sky-rocketing commercial lease rates causing otherwise healthy businesses to shut down or relocate, the City of San Francisco decided to create a [historic registry](#) for their 30+ year old businesses and subsequently established the Legacy Business Historic Preservation Fund (legacybusinesssf.com) to offer financial support:

- For Legacy Businesses, annual grant of \$500 per employee, with a cap of 100 employees.
- For Property owners who extend ten-year or longer leases to Legacy Businesses, annual grant of \$4.50 per square foot, with a cap of 5,000 square feet.

[The program](#) is open to 300 businesses and non-profits annually.

Independent retail business across the U.S. are facing similar challenges, and many cities are considering legacy business programs to help small businesses stay in-place in competitive real estate markets. [San Antonio](#) recently established a program and Seattle just completed an [exploratory study](#), which contains in-depth information on this type of program.

¹ NNN, or "triple net," refers to a lease arrangement where the tenant is responsible for property taxes, maintenance, and insurance expenses, beyond the base rent amount

Actions

- The City will create a registry for Newton’s long-established small retail businesses. This information will be used to customize the following recommendations and strategies specifically to the needs of Newton businesses as well as better connect the small business community across the thirteen villages.
- As part of the registry, the City will collect information about:
 - Type of businesses (goods sold or services offered)
 - Age of business, brief history
 - Ownership structure and any succession plans
 - Size and type of space the business occupies
 - Lease rates and ownership status of space business occupies
- The City will use information collected when creating the registry to design a financial assistance program, including grants and tax credits, that will address high-rent blight. The program will support small retail businesses and/or property owners to offset rising rents and enable the businesses to remain in-place. This is can be tied into the creation of tax increment financing districts.

Employ Small Business Friendly Zoning

Spiking commercial retail real estate lease rates in cities across the U.S. is the result of developers focusing on the needs of large national chains. Cities can use their zoning code, one of their most powerful tools to guide development, to proactively preserve affordable retail space while still maintaining a friendly environment for large retailers.

Updating a zoning code can be a very time-intensive process. Cities like San Francisco and [New York City](#) use Special Purpose Districts to supplement their existing zoning code to respond to specific needs of individual neighborhoods.

- **Restrict chain stores in village centers.** Create districts with provisions for ‘formula retail’ to cap how much street-level retail can be chain stores in Newton’s villages. Formula retail provisions can allow chain stores only by permit, not by right, and, by conducting outreach to residents when a project is proposed, can give the local residential community/consumer market the opportunity to be more engaged in the development process.
- **Use the city zoning code to preserve and increase the supply of smaller retail spaces.** Parameters might include a cap on storefront size, require mixed-use buildings to have a minimum number of storefronts, and put limits on when a retailer can knock down walls to create larger spaces.
- **Adopt a business diversity ordinance.** The ordinance can require businesses with many locations in the U.S. to apply for a special use permit in order to locate in one of Newton’s villages. The permit can consider how many businesses of that type are already in the district, assess if the business is compatible with the neighborhood, and consider if the applicant would bring something to the district that does not currently exist.

Create a “Buy Your Building” Plan

Businesses that own their own building have more control over their costs and are more resilient in a dynamic real estate market environment. Small business owners who own their own buildings build equity with their mortgage payments and build wealth that is more likely to stay locally in the community instead of out-of-town investors.

Many cities are in the process of designing programs and policies to help local small retail businesses owners purchase buildings. In [Austin](#) and [Salt Lake City](#), lease-to-own programs use a mix of federal grants and local lenders to help small businesses purchase buildings and in New York City, strategies are being proposed to encourage developers to sell retail spaces as condominiums. Other communities are getting creative and using investment cooperatives and [commercial community land trusts](#), to help stabilize commercial rates for small businesses.



Actions

- The City will identify financial partners for the program, including a network of local and regional lending institutions as well as federal programs through HUD and SBA.
- The City will work with partners, as well as representatives from the business community interested in participating in the program, to design a program to help Newton's business owners purchase buildings.

Create Opportunity for Local Businesses in Government Properties & Purchasing

Cities own and invest in real estate and can support local businesses by implementing policies that make city-owned properties more accessible for small businesses. This might be space in and around public transit, in city-owned buildings, and city-owned recreational amenities. Cities can control the rent in these spaces.

Actions

- The City will take an inventory of City-owned properties and public settings and identify space that local retailers and service providers might be able to capitalize on.
- This information will be used to write policies that encourage local businesses to bid on these opportunities.
- The City will conduct outreach to local businesses to promote the opportunities.
- As momentum for this project accelerates, the need for a digital solution will arise to efficiently connect businesses with available space. The City will explore creating a digital application to streamline this process and reduce staff-time necessary to run the program.

Establish a Local Currency Program

Examples of local currency programs include:

BerkShares Redeemable at over 400 participating businesses in the Berkshires of Massachusetts, BerkShares are issued at multiple participating banks (15 branches at four local banks). They give the user a 5% discount, as they cost \$0.95 per Berkshare but can be used to purchase \$1 worth of goods and services at participating businesses. They are traded in at what they cost, \$0.95, providing an incentive for business owners to recirculate them to other participating businesses. Since 2006, 7.3 million Berkshares have been issued, and there are currently about 140,000 BerkShares in circulation.²

BNotes This Baltimore- based local currency started in 2011 and has grown to over 34,000 in circulation regularly. Started as a response to the economic crisis, the goal of BNotes was to address the growing wealth inequality in the region. Now, over 240 businesses accept BNote. BNotes are purchased at six participating retailers and cost \$10 for 11 BNotes and can be exchanged for the reverse rate (11 BNotes for \$10), incentivizing recirculation.³

Brixton Pound The Brixton Pound in the UK started off as a physical currency, when their 10 pound note featured David Bowie, a resident of Brixton. Later, an electronic pay-by-text platform was introduced. Started in 2009, around 250 businesses currently accept the paper currency and 200 use the pay-by-text platform. They also feature a cash machine that distributes paper Brixton Pounds, and a program where their local government employees can receive part of their paycheck in this local currency.

Local currency programs can have the following benefits:

- **Boosts the local multiplier effect.** As an economic development tool, local currencies keep money local and recirculating through the same community, therefore increasing the economic multiplier effect. Circulation encourages capital to remain in a specific geographic location, benefiting all participating

² Active Local Currencies <http://www.centerforneweconomics.org/content/active-local-currencies>

³ Where to get BNotes <http://baltimoregreencurrency.org/cambios>

business. When you spend locally, your dollar stays local up to three times longer than when it's spent with national chains.⁴

- **Promotes local economic development.** A local currency program is a great way to unite businesses around a common and ubiquitous desire: to increase sales. While it does require coordination, it can be a small-scale reminder that it not only serves a purpose in its own right, but supports existing local economic development initiatives.
- **Encourages social benefits.** Just like the feeling when you get your final punch in that coffee card being part of a local currency program builds social fabric and pride in one's community.
- **Increases customer loyalty.** As mentioned previously, Brixton's local government provides the option for employees to receive the Brixton Pound as a portion their salary. Employees who do so report changing spending habits, trying out participating businesses when they normally wouldn't.
- **Creates new business networks.** As a business who received a local currency there is also an incentive to spend it again with another participating business. This encourages new businesses-to-business relationships to develop, increasing the interconnectedness of a region's economy.⁵

Local currency programs work well in communities where there are already a number of small, independent merchants, strong community spirit, relative geographic isolation, and inflow of new residents (particularly artists and students). Except for geographic isolation, the City of Newton checks all of these boxes. A local currency program can

Actions

- The City will design a local currency program targeted at students (college and high school), and the service-industry workforce (individuals who work in local hospitals, retail stores, and service providers) using information available through the Schumacher Center for a New Economics: <http://www.centerforneweconomics.org/content/local-currencies>.
- Local technology experts will be recruited to help establish the digital structure for the currency (website, app, etc.)
- The City will launch a robust marketing campaign to recruit businesses and engage the targeted customers of students and employees in the service-sectors about the local currency.

Offer Technical Support for Retail Businesses

Newton's local retail and service businesses need innovation support so they can adapt and innovate within an industry that is evolving – fast. Many national retailers have their own internal innovation centers or 'innovation labs' that are focused on developing the company's next big idea. To compete, small independent retailers who want to stay in Newton need a community where they can go to test and refine their transformative ideas and receive technical support to enhance existing business operations. The Newton Innovation Center (NIC) can be the hub for this community.

Services and support accessed through the NIC to local retail businesses and enrapures will include:

- Education around transformation in the retail industry and the role of small businesses in the future of community-based retail and services when trends are driven by outside forces:
 - Rapid adoption of technology by consumers
 - New retail players like Amazon, Google, and Facebook
- Business succession planning
- Providing local market intelligence and consumer targeting recommendations

⁴ The Multiplier Effect of Local Independent Businesses <https://www.amiba.net/resources/multiplier-effect/>

⁵ Money with a purpose Community currencies achieving social, environmental and economic impact http://b.3cdn.net/nefoundation/ff0740cad32550d916_o1m6byac6.pdf



- Digital programming and matching small business owners with local IT experts in the community to support (example: [Digital Main Street](#)):
 - Digital marketing
 - eCommerce systems
- Connect local retailers with other entrepreneurs in the community who want to test new ideas in Newton
- High-impact interior design support

It is critical that the programs and services offered avoid simple preservation tactics and instead foster a culture of creative thinking and taking disruptive actions.

Actions

- Through the process of developing the small business registry, the City will conduct a needs assessment to understand which resources and types of assistance are most in-demand by the local retail community.
- The City will work to identify partners for this project such as one of our many leading educational institutions and/or corporate partners.
- A business plan for the NIC will be created that re-focuses programming and assistance to support local small businesses and entrepreneurs who want to remain in the city.

Enhance the City's Commercial Real Estate Connection Services

As mentioned above, many Newton businesses struggle to remain in the city when their lease expires or they need to expand into a larger space. This is due to the limited supply of retail space at affordable rates. Existing businesses looking to stay in the city and businesses interested in locating to the city, need support in their search for space to understand the options that are available at different price points.

The [Commercial Real Estate Connection](#) page on the City's website currently offers a wordy, bureaucratic narrative, concluded with a non-hyperlinked web-address to a LoopNet page. This pushes business owners away from the City's website and creates the perception that the City is not the best place to look for help when trying to find commercial real estate. In comparison, the City of Detroit's [Motor City Match](#) website is an excellent example of a site designed to connect local business owners who need space and property owners with available space. It's designed to be inviting, emanating energy and excitement about retail opportunities in Detroit – not an easy feat! This program also offers grant awards to local businesses and building owners to help revitalize the city's neighborhoods.

Actions

- Utilize MLS listings like LoopNet as well as the data collected as part of the business registry (above) to create a current database of commercial space in the City.
- Develop a system to track available space and lease rates regularly.
- Communicate real estate availability to the business community regularly.
- Develop a web-based application to be housed on the City's website, that local businesses can use to search for space.
- Redesign the [Commercial Real Estate Connection](#) page to improve the user experience and messaging. It should provide live links to resources the city offers and be designed to encourage the visitor to contact the City for assistance finding a great property to meet their needs.



Appendix G: Acknowledgements

The creation of the City of Newton Economic Development Strategy involved numerous members of the Newton community. Below is a list of the people and organizations that made this strategy possible.

Newton Economic Development Commission

The Newton Economic Development Commission was established by City ordinance with a mission to promote and develop business and industry for the purpose of strengthening the local economy, providing jobs, and expanding the City's tax base. The Commission promotes, assists, and encourages existing and new business, industry, and commerce in Newton and advises and makes recommendations to City officials and staff.

EDC Members

Joyce Plotkin (Chair)	Howard Barnstone (Vice-Chair)
Robert Finkel (Vice-Chair)	Chuck Tanowitz (Secretary)
Stephen Feller	Jeremy Freid
G. Groot Gregory	Jane Ives
Jack Leader	Peter Kai Jung Lew
Philip Plottel	

Thank you to all the people who came out and participated in the public meetings associated with this project and the people who participated in interviews with the project team. Their insights were invaluable to development of this strategy.

Tom Andrews, EVP
 Jeff Behrens, Siamab Therapeutics
 Dr. Ed Chazen, Boston College
 Allan Cohen, City of Newton Assessors Department
 Neil Cronin, City of Newton Planning Department
 Daniel Elias, New Art Center in Newton
 Steve Feller, Economic Development Commission
 Kent Gonzales, Northland Investment Corporation
 Mark Goodman, Cardio High
 Marc Laredo, City Council President
 Jack Leader, Economic Development Commission
 Robert S. Korff, Mark Development, LLC
 Karen Masterson, Johnny's Diner
 Kerry McCormack, Newton Nexus
 Brian O'Dea, Newton-Wellesley Hospital
 Joyce Plotkin, Chair of Economic Development Commission
 Phil Plottel, Economic Development Commission
 Thomas Ragno, King Street Properties

Greg Reibman, Newton Needham Chamber of Commerce
Paul Roberts, Newton Camera
Carolyn Rock, Boston Ballet
Alan J. Schlesinger, Schlesinger and Buchbinder, LLP
Linda Sloan Key, Century Bank
Chuck Tanowitz, N2 Innovation District
Louis M. Taverna, City of Newton Engineering Department





Ruthanne Fuller
Mayor

City of Newton, Massachusetts

Department of Planning and Development

1000 Commonwealth Avenue Newton, Massachusetts 02459

Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Barney S. Heath
Director

MEMORANDUM

DATE: January 11, 2019

TO: Councilor Susan Albright, Chair
Members of the Zoning and Planning Committee

FROM: Barney Heath, Director of Planning and Development
James Freas, Deputy Director of Planning and Development
Rachel Nadkarni, Long Range Planner/Zoning Specialist

RE:# #518-18 - DIRECTOR OF PLANNING requesting review, discussion, and direction relative to the draft Zoning Ordinance.
Village Districts – Primarily Article 4, Reference to Articles 2 and 9.

MEETING DATE: January 14, 2019

CC: City Council
Planning Board
Jonathan Yeo, Chief Operating Officer
John Lojek, Commissioner of ISD
Alissa O. Giuliani., City Solicitor
Marie Lawlor, Assistant City Solicitor
Jonah Temple, Assistant City Solicitor

The Village Districts within the 1st Draft Zoning Ordinance regulate development activity in Newton’s village centers and several other commercial areas. These districts were designed and mapped to reflect the existing scale and patterns of development in the villages with the exception of Needham Street where the districts represents the recommendations of the Needham St Vision Plan. Generally, the village districts are mapped to reflect the highest degree of development intensity in the center of the village, stepping down from there until reaching the adjacent neighborhoods; a pattern that reflects how Newton’s villages generally were built up over time. There are three village districts in the 1st draft with the Village 1 District representing the lowest intensity and the Village 3 District representing the highest.

The following describes the primary 1st Draft Zoning Ordinance provisions that apply within the villages and other commercial areas, how they work and how the standards and rules could be changed in order to achieve different outcomes, and how they compare to the existing Newton Zoning Ordinance. This document will not cover development standards such as stormwater and parking or review processes such as the special permit process, as these topics will be addressed later in the 1st draft ordinance review process. The standards identified for these districts are drawn from the data gathered through the Pattern Book work and one aspect of the discussion will involve a presented set of case studies through which the Committee will be able to explore the implications of these numbers and begin to discuss adjustments to them. Finally, this document will identify key issues and policy questions for discussion and the inherent balancing or trade-offs involved.

Reading List: In preparation for this meeting, Committee members should read this memo, all of Article 4, all of Article 2, and Article 9 Secs 9.2.3, 9.2.5, 9.2.6, 9.2.8, 9.2.10, and 9.2.12.

Village Districts

The three village zoning districts in the 1st draft zoning ordinance are designed, for the most part, to closely reflect the existing conditions of Newton's village centers and certain commercial areas. Each village district in the 1st draft ordinance provides four primary pieces of information, the district description and purpose, the rules for lots and building placement on the lot, the building types or development alternatives allowed in the district, and the allowed uses.

As with the Residence Districts, the starting point for creating the Village districts, and the rules within them, was defining the building form and context of the City – the work encompassed by the Pattern Book. In a more detailed sense, this meant looking at what rules and standards are necessary to achieve consistency with that form and context over time as development activity occurs. The most important factors in defining the context are the types and scales of the buildings, the spacing between those buildings, their relationship to the street, and the ratio of built to unbuilt space on a given lot. So the rules in each district focus on these issues. Notably, a rule like minimum lot size falls away as it does not consistently or precisely address the issues above and is therefore extraneous. Instead, the buildability of a lot of land is determined by its capacity to accommodate an appropriately scaled building with the frontage, setbacks, and lot coverage requirements – in other words based on whether it fits into the context of the village.

While the Residence Districts place an entire similarly situated neighborhood into one zoning district, the Village Districts are tailored so as to differentiate the intensities of building – the different building scales - across a given village center. Each of Newton's Villages features a greater intensity of use (mostly measured in terms of height) at the approximate center of the village with that intensity stepping down as one moves towards the edge of the village center and towards the adjacent residential neighborhoods. In Newton Corner, for example, there is significant height at the center of the village, stepping down to a more moderate scale and finally to lower buildings before reaching the adjacent neighborhoods, resulting in three separate tiers and presented in the 1st Draft zoning as having parcels in each of the three village

districts. In contrast, a smaller village like Waban has only one tier and therefore only one village district represented. In this way, the existing context of Newton's villages is reflected in the proposed zoning.

The 1st draft zoning ordinance generally adheres closely to the existing context of the villages, only allowing greater height where it already exists. The exception to this approach is in those locations where prior policy decisions such as the Needham St Vision or the Riverside zoning district (MU3), would recommend differently. Overtime, new vision and master planning efforts for village centers across the City will be used to inform changes to this proposed baseline zoning, allowing the City Council to reallocate the Village Districts based on the decisions that come from these future plans. It should be noted that individual property owners always have the right to request a rezoning through the City Council.

Notes on Standards

Setbacks: Front setbacks are set at between 0 and 15 feet in order to create and support active pedestrian environments in the village centers and commercial areas. Side and rear setbacks are set as minimums. [compare to existing ordinance?]

Frontage Buildout (Sec. 2.3.6): Large gaps between buildings can disrupt the continuity of an active pedestrian environment and the success of walkable commercial districts. The frontage buildout rule sets a percentage of the total lot frontage that must be occupied by building, thereby limiting such gaps. In commercial and mixed-use districts this percentage is set high, as opposed to in residential neighborhoods, where the percentage is low.

Height & Massing (Sec. 2.6): Height in the 1st Draft Ordinance is measured in stories, which each story having an allowed height range. This approach establishes a maximum height (by adding together the ranges) that is easily observed/measured and allows the ordinance to include different rules at different stories depending on the building type and desired policy outcome. For example, ground floor commercial retail uses require a greater height than a ground floor residential use.

Fenestration (Sec. 2.7): Ground floors characterized by large openings that allow pedestrians to view the commercial interiors are an important part of any successful commercial or mixed-use district, so these percentages are high for those building types. Window signage, which might obstruct such views, are regulated in Article 8.

Residential Units Factor (Sec 2.8): The residential units factor is a mechanism for controlling residential unit density on a lot as it relates to the scale of the building. The building type standards, coupled with setbacks, lot coverage and other rules established by the zoning district, determine the scale of building allowed on a given lot, consistent with the desired context of the area. Therefore, the size of a building allowed is established by these characteristics. Separately, working from the size of the building, the maximum number of units allowed is established by the residential units factor standard. In this way, building

scale can be handled separately from the question of unit density, “tails” and other strange lot configurations don’t allow for greater density than would otherwise be expected, and bonus density can be granted independently of building scale.

Outdoor Amenity Space (Sec. 2.9): The outdoor amenity space standard requires that every residential unit have access to some minimum form of private or semi-private outdoor space. This space can be a yard, patio, or balcony or can be a shared space. In either approach, the outdoor space must be a minimum size per unit.

Public Gathering Space (Sec. 2.10): Projects over a certain size must include a public gathering space meeting the definitions and minimum size defined here.

Zoning District Specific Notes

Village 1: The Village 1 District encompasses the smallest of Newton’s villages as well as the edges of larger villages where they meet up with the adjacent Residence Districts. The district allows the small commercial and mixed-use building types resulting in a maximum height of 3 stories. A three-story small apartment building and a fabrication style building are allowed only by special permit.

Village 2: The Village 2 District applies to the center of the mid-sized Newton villages. This district allows the buildings found in the Village 1 District as well as a medium sized mixed use building that can be as high as four stories by special permit. The lined garage building type is also allowed by special permit with a maximum height of five stories.

Village 3: The Village 3 District applies in the centers of the largest of Newton’s villages. Five story buildings are allowed and can increase to 7 stories by special permit. Tall buildings of up to 10 stories are also allowed by special permit.

Alternative Development Options

Multi-Building Assemblage Rules (Sec 4.5.1)

The Multi-Building Assemblage rules are an important component of the 1st Draft zoning ordinance and will most frequently be applied in the Village Districts, though they are also applicable to Townhouses allowed in the Neighborhood General District. Basically, this is the set of rules that would allow, by special permit, multiple buildings to be built as part of a single development project including attached buildings. As an example, there is not a single building type by itself that would allow one to build a project at the scale of the Washington Place development. Assuming one had the appropriate Village 3 zoning to accommodate the height, the most applicable building type would be the Large Multi-Use Building. This building type though has a maximum width of 200 feet so to do a project of the size of Washington Place one would need to be able to do at least two, possibly three buildings, separated or attached depending on one’s desired configuration. The Multi-Building Assemblage Rules govern how that type of project could be done. These rules effectively mandate that the buildings be

treated and present as separate buildings, codifying an expectation the City has previously only expressed through design review and special permit conditions.

Staff has been exploring a different approach to the same outcome through the use of a concept referred to as “Zoning Lots,” which is the idea of creating a set of lots strictly for the purpose of demonstrating compliance with zoning and shown on a site plan, which would be attached to a special permit. These lots would not exist for any other purpose but would allow the application of the zoning rules to each building in a multi-building development, including attached buildings. While either approach gets to the same outcome, staff is interested in feedback as to which approach is easier to understand.

Allowed Land Uses

General (Sec. 4.6)

Broadly, the uses allowed in the 1st draft zoning ordinance for the Village Districts are the same or similar to those currently allowed in the Business 1 and 2 districts. Discussion of the commercial use categories are provided below along with changes to the draft that are currently under consideration.

Arts & Creative Enterprise Use Categories (Sec. 9.2.3)

The 1st Draft Zoning Ordinance separates out Arts related uses from similar retail or entertainment uses in recognition that these uses are slightly different in some of their fundamental characteristics. In addition, by separating them out, the Ordinance is able to provide special treatment that can encourage these types of uses, recognizing their economic and community benefits above and beyond strictly commercial uses. Some of the significant use categories in this section include:

Artisan Production Uses – Allowing for small spaces for the crafting of small products for direct sale is an increasingly important retail-like category. This type of entrepreneurial activity requires generally small spaces and, coupled with a small sales area, can enliven a shopping area. These types of uses are showing up in older walkable commercial districts as well as being sought out by higher-end commercially managed shopping environments and offer a solution to the challenge of the migration of retail to online sales.

Arts Exhibition Uses – Performance and exhibition space for the arts are difficult to find or create. Generally, these uses have fewer shows and less constant utilization than similar commercially oriented entertainment uses. Staff is considering ways to more clearly differentiate this use from the Assembly & Entertainment Use Category.

Work/Live Creative Studio Uses – Less of a residential use and more of an artist workspace with ancillary living space, work/live studios are an important part of creating an affordable environment conducive to building an artist community. The studio spaces at the Claflin School is a similar idea.

Commercial Service Use Categories (Sec. 9.2.5)

The greatest number of use categories fall into this section. Some are highlighted below:

Banking & Financial Services Uses – The 1st Draft Ordinance does not have any special requirements or rules associated with this use category. However, banks in village centers have been an ongoing issue of concern and staff has been discussing some potential policies that could be included in this section. One possibility would be to apply a proximity rule to ground floor banks, requiring that a new bank be at least some distance away from an existing bank. Another approach would be to limit the allowed storefront width of a bank, as Cambridge does. Either of these approaches address the issue of banks creating low activity sections on an otherwise active, pedestrian-oriented retail block, particularly for time periods outside of normal banking hours. A bank that partners and co-locates with a more active use such as a coffee shop could be exempted from such limitations, in part or completely.

Personal Service Uses – This use category lumps together a range of service uses that address health and well-being. Potentially, the listed uses could be separated into their own use categories. Notably, the Health Care Provider Use is included here, which includes doctor or dentist offices and similar. This use is not included as a standard office use as the nature of the use is in fact quite different, though they may locate in the same buildings as offices for lawyers or accountants. The key difference is in the volume of client visits. In a doctor's office, the very nature of the work is defined by the presence of the client and so there is a near constant stream of one or more clients present whereas a more typical office setting is more a place for conducting office work with more infrequent client visits.

Eating & Drinking Use Categories (Sec. 9.2.6)

The Eating & Drinking section includes the Restaurant/Café Use Category, which introduces two new uses for consideration:

Formula Eating and/or Drinking Establishment: A formula-based restaurant or café (there is a similar use defined under the Retail section) is one where, regardless of ownership, if the establishment is required to utilize formulaic features in its operation and/or design, such as in the menu, signage, décor, etc, that use would require a special permit in the village districts. It is a common recommendation that the economic strength of many village centers or "Main Street" type environments requires that the stores and restaurants be largely unique as opposed to representing a formula found all over the country. To put it another way, a village center dominated by formula establishments will be less competitive. In Newton, the unique stores and restaurants are an important and beloved aspect of the village centers, without which they would lose much of their identity, which would be a loss to the economic welfare of the village and the sense of community and identity of the City overall.

Zoning, as a general rule, cannot treat owners of property with the same uses differently. Zoning regulates use, not ownership. On this basis, a similar zoning requirement in

Wellfleet was invalidated in court. While it is not the intent of this proposed ordinance to regulate ownership per se, one could make an argument that this rule does so – the idea rests in a grey area. Ultimately, staff requests feedback from the Committee on the importance of this issue and willingness to address it in this manner.

A potential alternative approach is to create a set of criteria that attempt to mitigate the formulaic aspects of design that would be applied to all restaurant uses in the village districts. However, this approach would only get at the design issues such as signage and exterior décor, and that to a limited extent as allowed under zoning, and not at the underlying uniqueness of the restaurant or store.

Brewery – The 1st Draft Ordinance proposes to allow breweries and similar establishments in all of the Village Districts by special permit.

Lodging Use Categories (Sec. 9.2.8)

As proposed, hotels are excluded from the Village 1 District but it may be worth reconsidering this limitation as a small-scale boutique hotel might be an appropriate use in a small village or at the edge of a larger village. For this utilization, the Ordinance would need to explicitly allow this use in the small multi-use and/or the small apartment building types.

Motor Vehicle-Oriented Use Categories (Sec. 9.2.9)

Motor vehicle uses are those that generally feature as the primary use of the property, large numbers of motor vehicles or otherwise focus on the maintenance of service of motor vehicles. As should be no surprise, depending on the design of these uses, they can have a significant negative impact on a village center of walkable commercial area. As a result, where these uses are proposed to be allowed, they would require a special permit to consider the relationship between the proposed design and the location. There are increasingly new approaches to these types of uses being employed across the U.S. and in this region that could be appropriately located even in a village center of Newton and the special permit process will allow the City to steer applicants towards those design solutions.

Office Use Categories (Sec. 9.2.10)

There are two Office Use Categories included in the 1st Draft Ordinance that are effectively new to the Ordinance:

Co-Working Uses – Co-Working is a new type of use in the world today that basically involves a shared use office environment with a number of generally small companies sharing common resources in a managed space. A small number of these have located in the Newton over the last several years and the use is growing rapidly nationally and in the region. The success of these uses typically depends in part on a degree of flexibility in order to be responsive to the needs of the range of different businesses hosted. As these types of facilities are effectively the incubators of entrepreneurs and new companies, they are an important part of an overall economic development program.

Research & Development and/or Laboratory Uses – There are two key differentiations between the R&D/Lab use and general office. The first is that this use category can include scientific laboratory space, which is also governed by the rDNA/biotech provisions of the City Ordinances. Second, this type of space needs to be specifically allowed to engage in prototyping type work, which means the use requires the ability to do some minimal level of light manufacturing.

Retail Sales Use Categories (Sec. 9.2.12)

Retail sales is divided into five use categories representing uses with generally very different profiles in terms of space and customer interaction:

Building/Home Supplies & Equipment Uses – This use category governs uses where the products are typically large like construction materials, lawn mowers, furniture, etc. Customer pick-ups generally involve large vehicles so attention must be paid to how these vehicles will interact with the surrounding environment.

In discussions with retail property owners, staff has been made aware of a category within this use where the retailer uses their space simply for display and all products are delivered from a different location. Staff is considering separating this category out to be treated as typical consumer goods.

Consumer Goods – This use category essentially covers traditional retail. Rules provided for this, as well as the above use category, permits outdoor display of goods according to specific conditions.

Formula Retail – This use category is the same as the formula restaurants described above, except applied to retail establishments.

Fresh Food Market or Grocery Store Uses – Self explanatory.

Farmer/Vendor Market Uses – This use category covers outdoor farmer’s markets as well as the growing trend of food markets such as those recently locating in Boston like the Boston Public Market.

Parking, signage, and other development standards play a significant role in Newton’s villages. These parts of the 1st Draft Ordinance are scheduled for upcoming discussions.