



# Zoning & Planning Committee Agenda

## City of Newton In City Council

**Monday, July 16, 2018**

7:00PM  
Room 205

### **Items Scheduled for Discussion:**

- #368-18**      **Appointment of Brian Yates to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR appointing BRIAN YATES, 1094 Chestnut Street, Newton Upper Falls, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire June 8, 2021. (60 days: 8/17/18)
- #401-18**      **Appointment of Tarik Lucas to Newtonville Historic District Commission**  
HER HONOR THE MAYOR appointing TARIK LUCAS 36 Central Avenue, Newtonville, as an alternative member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire June 30, 2021. (60 days: 9/7/18)
- #402-18**      **Appointment of Peter Mooradian to Newtonville Historic District Commission**  
HER HONOR THE MAYOR appointing PETER MOORADIAN, 192 Chapel Street, Newton, as an alternative member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire June 30, 2021. (60 days: 9/7/18)
- #403-18**      **Re-appointment of Barbara Wales to Newtonville Historic District Commission**  
HER HONOR THE MAYOR re-appointing BARBARA WALES, 5 Rotherwood Road, Newton Centre, as a member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire June 30, 2020. (60 days: 9/7/18)
- #404-18**      **Re-appointment of John Martin to Newtonville Historic District Commission**  
HER HONOR THE MAYOR re-appointing JOHN MARTIN, 12 Simpson Terrace, Newtonville, as a member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire January 1, 2020. (60 days: 9/7/18)

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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](mailto: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.

- #405-18**      **Re-appointment of David Morton to Newtonville Historic District Commission**  
HER HONOR THE MAYOR re-appointing DAVID MORTON, 148 Edinboro Street, Newtonville, as a member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire January 1, 2020. (60 days: 9/7/18)
- #406-18**      **Re-appointment of Nancy Grissom to Newtonville Historic District Commission**  
HER HONOR THE MAYOR re-appointing NANCY GRISSOM, 7 Orris Street, Auburndale, as a member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire January 1, 2020. (60 days: 9/7/18)
- #407-18**      **Re-appointment of James Gross to Newtonville Historic District Commission**  
HER HONOR THE MAYOR re-appointing JAMES GROSS, 80 Highland Avenue, Newtonville, as a member of the NEWTONVILLE HISTORIC DISTRICT COMMISSION for a term to expire January 1, 2020. (60 days: 9/7/18)
- #369-18**      **Re-appointment of Paul Snyder to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing PAUL SNYDER, 9 Ardmore Road, West Newton, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire July 1, 2019. (60 days: 8/17/18)
- #370-18**      **Re-appointment of Judith Neville to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing JULIA MALONE NEVILLE, 68 High Street, Newton Upper Falls, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire January 26, 2021. (60 days: 8/17/18)
- #371-18**      **Re-appointment of Laurie Malcom to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing LAURIE MALCOM, 95 Algonquin Road, Chestnut Hill, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire December 24, 2019. (60 days: 8/17/18)
- #372-18**      **Re-appointment of Donald Lang to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing DONALD LANG, 999 Chestnut Street, Newton Upper Falls, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire December 24, 2019. (60 days: 8/17/18)
- #373-18**      **Re-appointment of Jeffrey Riklin to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing JEFFREY RIKLIN, 37 High Street, Newton Upper Falls, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire July 31, 2020. (60 days: 8/17/18)

- #374-18      Re-appointment of Jay Walter to Newton Upper Falls Historic District Comm**  
HER HONOR THE MAYOR re-appointing JAY WALTER, 83 Pembroke Street, Newton, as a full member of the NEWTON UPPER FALLS HISTORIC DISTRICT COMMISSION for a term to expire July 1, 2020. (60 days: 8/17/18)
- #76-18      Discussion relative to the draft policy content outline of Zoning Ordinance**  
DIRECTOR OF PLANNING requesting review, discussion, and direction relative to the Zoning Redesign Project on a draft policy content outline of the new Zoning Ordinance.
- #185-18      Discussion and adoption of Needham Street Vision Plan**  
DIRECTOR OF PLANNING requesting discussion and adoption of the Needham Street Vision Plan as an amendment to the 2007 Newton Comprehensive Plan.
- #187-18      Zoning Amendment for Inclusionary Zoning**  
DIRECTOR OF PLANNING requesting amendments to the Inclusionary Housing provisions of Chapter 30, Newton Zoning Ordinance, to increase the required percentage of affordable units; to require that some affordable units be designated for middle income households; to create a new formula for calculating payments in lieu of affordable units; and to clarify and improve the ordinance with other changes as necessary.

**Respectfully Submitted,**

**Susan S. Albright, Chair**



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

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rfuller@newtonma.gov

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

RECEIVED  
Newton City Clerk  
June 2018  
2018 JUN - 6 PM 3:23  
David A. Olson, OHC  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to appoint Brian Yates of 1094 Chestnut Street, Newton as a full member of the Newton Upper Falls Historic District Commission. His term of office shall expire on June 8, 2021 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

## Why are you interested in serving on a board or commission?

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I served the city for thirty years as an Alderman/City Councilor. I still have energy and ideas that I want to share with the people of Newton. I served on the Economic Development Commission before I was elected to the Board of Alderman, and I was instrumental in the establishment of the current Mixed Use 1 and 2 Districts of the Needham Street Corridor that are currently under review. I am keenly interested in the Small Business Assistance Program of the the National Trust for Historic Preservation. This Model has worked successfully in revitalizing neighborhood business districts across the country including several in Boston. I would welcome the opportunity to bring this model to Newton through the EDC, In my thirty years of service at the Greater Lowell Community Action Agency, I developed the funding for the Merrimack Valley Small Business Development Center. This experience is potentially helpful in Newton , particular in the Mill River Development District and the Newton-Needham Innovation District. I am very familiar with many of the elements of the N@ District.

Brian E.docx

Upload a Resume

Brian E. Yates

1094 Chestnut Street

Newton, MA 02464

EDUCATION

- Master of Urban Affairs, Boston University
- Bachelor of Arts, cum laude, English, Boston College
- Newton South High School
- Meadowbrook Junior High School, Newton, Massachusetts
- Emerson Elementary School, Newton, Massachusetts

WORK EXPERIENCE

- Community Teamwork, Inc., Greater Lowell Community Action Agency, Regional Housing Agency, and Merrimack Valley Small Business Development Assistance Center. 1974-2009
- Director of Planning and Program Development: Conducted agency planning process, performed grantsmanship for broad range of programs, developed funding for Small Business Assistance Center.
- Newton Planning Department: Planning Aide, 1972-1974

PUBLIC SERVICE

- Newton Economic Development Commission, 1975-1987
- Worked on Needham Street projects including development of Mixed Use 1 and 2 Zoning Districts
- Board of Aldermen, City Councilor, 1987-2017
- Original Member and ten year Chair of Zoning and Planning Committee



Ruthanne Fuller  
Mayor

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

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Barney S. Heath  
Director

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**STAFF MEMORANDUM**

**DATE:** May 23, 2018

**TO:** Dana Hanson, Director of Community Engagement & Inclusion

**FROM:** Barbara Kurze, Senior Preservation Planner

**CC:** Barney S. Heath, Director of Planning  
Amalia Timbers, Boards and Commissions Coordinator  
Norine Silton, Executive Administrator

**SUBJECT:** Brian Yates – Newton Upper Falls Historic District Applicant

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We would like to move forward with the appointment of Brian Yates to the Newton Upper Falls Historic District Commission (NUF HDC) as an <sup>\*</sup>alternate member. Brian is passionate about historic preservation and educating the public on the benefits of preservation. He has been active in historic preservation in Upper Falls and Newton for many years and was recently nominated for a Lifetime Preservation Award. He worked on the designation of the Newton Upper Falls Local Historic District and the adoption of the City Landmark Ordinance. Brian and Lee Fisher are currently working to get a National Historic Landmark designation for Echo Bridge. Brian believes that applicants in the district should be treated fairly and consistently and encourage to do appropriate work on their properties.

*\* Changed to full member  
per Mayor Fuller email  
attached.*

**Amalia Timbers**

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**From:** Ruthanne Fuller  
**Sent:** Saturday, May 26, 2018 12:12 PM  
**To:** Dana Hanson; Amalia Timbers; Barbara Kurze  
**Subject:** Upper Falls Historic District and Brian Yates

Just off the phone with Brian.

He talked to the Chair of the UF HD ... and, as a result, Brian is both very happy to serve and is happy to serve as a full member.

R

Mayor Ruthanne Fuller  
City of Newton  
1000 Commonwealth Avenue  
Newton, MA 02459  
[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)  
617-796-1100





Ruthanne Fuller  
Mayor

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

RECEIVED  
DAVID A. OLSON, OFC  
NEWTON, MA 02459  
2018 JUN 18 AM 10:09  
June 18, 2018  
DAVID A. OLSON, OFC  
NEWTON, MA 02459

To the honorable City Councilors:

I am pleased to appoint Tarik Lucas of 36 Central Avenue, Newtonville as an Alternate member of the Newtonville Historic District Commission. His term of office shall expire on June 30, 2021 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

**Tarik J. Lucas**  
36 Central Avenue  
Newtonville, Massachusetts 02460

**EDUCATION**            **Springfield College, Springfield, Massachusetts**  
**Bachelors of Arts Degree**  
Major: Business Management

**EMPLOYMENT**

- 2008-Present            **Harvard University Press – Staff Account & Royalty Specialist**  
My primary responsibility is coordinating all aspects of the royalty process on all books that HUP publishes and distributes. Other duties are reading all royalty statements and making sure they are accurate and making royalty payments to agents, authors, and other publishers. I am also responsible for making journals for the general ledger, as well as reconciling royalty related accounts on a monthly basis. I also help our foreign authors with tax related queries, which include W-8BEN's and ITIN's. And lastly I manage HUP's accounts receivables. Which includes issuing invoices, processing credit cards, cash receipts, and HUP's Bank of America incoming wire account.
- 2018-Present            **Newtonville Neighborhood Area Council**  
I was elected to the Council to represent the residents and businesses in Newtonville. The responsibilities include engaging in grass-roots planning and promote a vision that defines the village's character and hold workshops that revolve around real-estate development projects.
- 2008-Present            **International Association of Approved Basketball Officials – Basketball Referee**  
Officiate youth, high school, and adult basketball games
- 2005-2008                **H.A. Sportservice – Food & Beverage Office Administrator**  
Duties involve managing payroll for 130 employees and handle all other Human Resource functions. Other responsibilities include managing all accounts payable for the unit. Create Daily Sales Reports for all events held in the Arena. Additional duties involve managing cash operations for Sportservice at Boston University's Agganis Arena, which includes managing a staff of 6 employees.
- Summer 2003            **University of Massachusetts Boston Athletics Department**  
Student Internship duties involve assisting with the golf tournament, marketing, operations, and promotions of the Athletics Department and the facility management for the Reebok NBA Pro Summer League and the Summer Bay State Games.
- COMPUTER SKILLS**    Microsoft Office Excel & Access, & Oracle
- CERTIFICATIONS**     United States Soccer Federation – Grade 8 Certified Referee  
Board 27 Certified Basketball Referee for the International Association of Approved Basketball Officials



Ruthanne Fuller  
Mayor

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Barney S. Heath  
Director

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## STAFF MEMORANDUM

**DATE:** June 6, 2018

**TO:** Dana Hanson, Director of Community Engagement & Inclusion

**FROM:** Barbara Kurze, Senior Preservation Planner

**CC:** Barney S. Heath, Director of Planning  
Amalia Timbers, Boards and Commissions Coordinator  
Norine Silton, Executive Administrator

**SUBJECT:** **Tarik Lucas – Newtonville Historic District Applicant**

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We would like to move forward with the appointment of Tarik Lucas to the Newtonville Historic District Commission as an alternate member. Tarik is very committed to serving the Newtonville community and feels strongly about preserving the architecture and historic characteristics of the district and Newtonville. He is very active on the Newtonville Area Council and has built up great committee and consensus building experience on the Washington Street residents survey. He feels the Commission is functioning well and believes that applicants should be treated fairly and respectfully.



Ruthanne Fuller  
Mayor

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June 13, 2018

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

To the honorable City Councilors:

I am pleased to appoint Peter Mooradian of 192 Chapel Street, Newton as an Alternate member of the Newtonville Historic District Commission. His term of office shall expire on June 30, 2021 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

DAVID A. OLSON, ONE  
NEWTON, MA 02459

2018 JUN 18 PM 4:08

RECEIVED  
NEWTON CITY CLERK

## Peter Archie Mooradian

192 Chapel St. | Newton, MA 02458

### Customer Service Management/Quality Assurance/Client Assurance Management Network Operations Management- Project Management-Facilities Management

- Experienced Global Operations Manager with 11+ years of VoIP and TDM telecommunications industry promoted to increasing levels of responsibilities.
- Plan and manage projects aligning business goals with technical solutions to drive process improvements, competitive advantage and bottom-line gains.
- Ability to manage large project teams and known for high-quality deliverables that meet or exceed timeline and budgetary targets.
- Expert in customer service and satisfaction, team and relationship building, problem solving, detailed oriented and analytical expertise.

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### SKILL SUMMARY

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#### Management

Project Management  
Customer Assurance Team  
Customer Service/Satisfaction  
Network Quality  
Migrations/Integrations

#### Professional Development

VoIP & TDM technologies  
Cost Containment & Budgeting  
Proficient in MS Office  
ITIL Certified

#### Leadership

Customer & Vendor Relations  
Cross-Functional Supervision  
Team Building and Mentoring  
Partnership building

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### PROFESSIONAL EXPERIENCE

**Feb. 2007-Present iBasis Inc. (A KPN Company)**

**Lexington, Ma.**

iBasis is one of the largest carriers of international voice traffic in the world, and a leading provider of prepaid calling services. iBasis delivers toll quality international call completion over the iBasis global VOIP network.

#### **Senior Manager of Customer Service, Customer Assurance and Network Quality**

- Project manager for operations
  - Designed three phased approach to align business processes with ITIL
    - New ticketing system ITIL compliant
    - Redefine back end process to be customer centric and ITIL compliant
    - Design and roll out of company customer ticketing portal
- Designed and launched Client Services desk
  - Enhanced customer service dedicated to establishing partnerships with our customers as a no cost solution to customer retention by leveraging Genesys platform
  - Single point of contact and swift resolution to customer reported issues
    - Reduced cost \$50,000.00
    - Forecasting additional \$60,000.00 reduction 2011-2012
    - Achieved average cost reductions of \$74,000.00 over last 5 years 2008-2014
  - Focus on customer advocacy, customer knowledge, and reliability to help attain their business needs and goals.
  - 100% of all customer interaction is now handled by members of my staff.
    - Reduced work load on Network Operations Center and increased their efficiency.
    - Consistent reporting and trending of all forms of contact.

**Senior Manager of Customer Service, Customer Assurance and Network Quality Continued**

- Implemented Genesys platform system enhancements utilizing routing application for the outsourced service centers that lowered handling time to 3.72 minutes from 4.0 minutes, increase service level to 65% from 48%, and lowered costs 10%
- Instrumental in the design and implementation of an operations integration effort that reduced the companies operating cost \$3.5million in the first half of 2009.
  - Enhanced all work flows and re-evaluated all procedures to assure little to no customer impact.
  - Enhanced functionality of outsourced call center by adding fraud analysis, enhanced up sell program, and preliminary issue trending to daily workload without cost increase.
- Redefined and established relationship with three contact center vendors' servicing iBasis' prepaid calling card customers, distributors, and wholesale customers
- Evaluated the procedures and tools the outsourced customer service centers used and worked with their development teams to enhance both companies business handling efficiency.
  - Leveraged Genesys platform in many areas to increase customer service levels
- Reduced work on iBasis network operations center by 12% by enhancing customer service representatives ability to trouble shoot customer facing issues, and analyzing call center data in real-time resulting in a cost savings of 10% per month for the network operations center.
- Increased number of calls handled through the IVR by 10%.
- Implemented new Analysis of call center data to identify problematic destinations, vendors, and specific card brand issues. Used this new procedure reduce repair time by 32% and reduce call volume into the contact center by 21% in one year.
- Analyzed and presented data to company executives weekly using the following applications Genesys platform, Excel, Access, Business Objects, Word, Power Point, Visio, Remedy, DCP, as well as other company developed applications.

**Jan.2005-Feb. 2007 Mooradian Consulting Inc.****Newton, Ma.**

Mooradian Consulting Inc. is an independent consulting firm that is dedicated to helping its clients deliver world-class customer service. Mooradian Consulting Inc. offers the following services to its clients: Call center consulting, contact center design, performance optimization, call center management training, and other services.

**Owner/Consultant:**

- Evaluated the client's procedures in order to provide recommendations on how to achieve maximum efficiency in attaining goals.
- Provided client with a detailed plan on how to implement new or updated procedures in order to maximize efforts to address areas of concern.
- Monitored implementation of the plan to assure continuity and success of the plan. These changes allowed client to reach service level goal of 80%, ASA of 15 seconds, and abandon rate of less than 1% for the first time in a one year period, for which I was included in the company supervisor bonus program.
- Provided additional support to the client on an as needed basis.

**Jan. 2005-Sept. 2006 Commonwealth Receivables Inc. Framingham, Ma.**

Commonwealth Receivables Inc. is an independent debt purchaser and collector, specializing in collection of outstanding credit card debt.

**Director of Call Center Operations and Customer Service:**

- Established and attained goal of 20% collection rate for representatives in order to reach financial objectives of the company.
- Recommend and implemented improvements to scheduling, policy, and procedures, providing a more flexible work schedule to ensure proper coverage, instituting a “Back up from home” schedule using Citrix and GoTo my pc.com that decreased employee absences and increased service levels to 95% from 80% over a one-year period.
- Established an outbound calling program to contact client’s pre-suit, increasing collection rates by 5% and decreasing legal fees by 10% per week on average.
- Liaison between Commonwealth Receivables Inc. and Massachusetts Small claims courts, Sheriffs, Constables, and Co-counselors who aided in the recovery debt.
- Researched and developed new tools for increasing income streams and cost reductions. Created a coverage schedule that allowed legal fee savings of \$1000.00 a week on average.
- Streamlined office procedures and moved to a minimal paper environment.
- Identified untapped resources within the company and designed a program to effectively use these resources to increase revenue.

**April 2002-Jan. 2005 PCF Inc.****Waltham Ma.**

PCF Inc. is one of the country’s leading provider of customer service, home delivery, and telemarketing in the newspaper publishing industry, providing service for over fifteen different publications throughout the U.S.

**Customer Care Manager:**

- Monitored call quality to ensure delivery of world-class customer service.
- Developed relationships with field service personnel, key contact center support colleagues and other home delivery related personnel to ensure customer satisfaction.
- Coordinated contact center resources to ensure complaint resolution. Review and analyze statistical data that defines quality customer care standards.
- Used Avaya Centre Vu Supervisor, Genesys and other related operating activity reports to evaluate and manage team and individual performance on a daily basis.
- Established goals and objectives for the department, teams, and individuals in support of company goals and objectives.
- Identified root causes of any issues prohibiting delivery of world-class customer service.
- Recommend and implemented improvements to policy, procedure, process and/or system changes in contact center operations.
- Communicated a clear message to all personnel in regards to organizational goals and objectives.
- Interviewed and trained new customer care representatives.
- Assess individual and team needs and provide ongoing direction, support, coaching, and training.
- Used effective leadership, management, and coaching skills to monitor and improve employee morale and performance in accordance with company goals.

**July 2000-Feb 2001 State Street Research****Boston Ma.****Call Center Supervisor Shareholder Services**

- Maintained industry average and above for all quality areas measured by Dalbar.
- Improved quality ranking from 17 of 63 financial services companies to 2<sup>nd</sup> in five months.
- Won key honors awarded by Dalbar in recognition of quality customer service.
- Directed shareholder services, to assure optimum performance in attaining department goals.
- Plan, organize, schedule, delegate, and control work flow of departmental personnel.
- Hired, trained, motivated, and developed employees.
- Conducted staff meetings to discuss, department performance, goals, and operational issues.
- Worked with forecaster to ensure proper phone coverage, and department goal of 90% service level.
- Monitor calls weekly for my team to ensure quality, and provide feedback to phone representatives.
- Provided reviews, established goals, and worked actively on career development for the staff.
- Continuously updated management on staff performance, call volume, and trends.
- Worked on special projects with other departments including development of intranet site, redesign of review forms, process evaluation committee, and training schedule redesign.

**Nov/1998 - July/2000 Sun Life Financial****Boston Ma.****Call Center Supervisor**

- Trained and developed new and existing care services representatives, also assisted with interview process.
- Enabled care services representatives to contribute to the department achieving goals and providing excellence in customer service.
- Provide constructive feedback to all team members on an individual basis regarding performance.
- Developed an action plan for each team member to help them and the department achieve goals.
- Reported on weekly phone trends in all care services departments and on team statistics on a monthly basis.
- Provide constant follow up to team members on performance and the importance of meeting and exceeding goals.
- Fielded supervisor calls and resolve situations that arise from these calls.
- Resource for all care services representatives and other departments in providing correct information and problem resolution techniques.
- Review all correspondence, research, and stop and reissue requests submitted by representatives.

Oct. 1995-Sept. 1998 Enterprise Rent-A-Car  
Branch Rental Manager

Canton, Ma.

2/1994 - 9/1995 Lids LTD Partnership  
Area Manager

Newton, Ma.

4/1989 - 2/1994 Republic Company  
General Manager

Newton, Ma.

**EDUCATION****University of Dayton**

Bachelor of Science in education.

Dean's List/Scholastic All American

**Dayton, Ohio****Proficiency with the following business applications and tools:**

Remedy, Business Objects, Excel, Word, Power Point, Visio, Note, Access, AQR (Telecommunications routing tool), GANM (Telecommunications access tool), ICE (provisioning tool), several company specific customer documentation platforms, ITIL foundations and service operation certified.





Ruthanne Fuller  
Mayor

**City of Newton, Massachusetts**  
Office of the Mayor

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rfuller@newtonma.gov

June 13, 2018

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

To the Honorable City Councilors:

I am pleased to reappoint Barbara Wales of 5 Rotherwood Road, Newton Centre as a member of the Newtonville Historic District Commission. Her term of office shall expire on January 1, 2020 and her appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

RECEIVED  
NEWTON CITY CLERK  
2018 JUN 18 PM 4:08  
DAVID A. O'CONNOR, CMC  
NEWTON, MA 02459

#403.18

Barbara Wales  
5 Rotherwood Road  
Newton Centre, MA 02459

Local full time Realtor based on Newton, representing residential clients in the purchase, sale and rental of residential property.

**Employment:**

July 2013 – Present:

Bean Group, LLC – [www.BeanGroup.com](http://www.BeanGroup.com)

April 2010-July 2013:

William Raveis Home Services – [www.raveis.com](http://www.raveis.com)

April 2008-April 2010:

C21 Commonwealth Real Estate – [www.commonmoves.com](http://www.commonmoves.com)

June 2005-April 2008:

William Raveis Home Services – [www.raveis.com](http://www.raveis.com)

July 2001-June 2005:

Coldwell Banker Residential Brokerage – [www.nemoves.com](http://www.nemoves.com)

February 1985-July 2001:

GTE, Verizon Laboratories

Principle Member of Staff responsible for business process improvement across regional central offices, customization, deployment and training for Network Operations Center in Central America (Venezuela, Puerto Rico, Dominican Republic), secure communications data management systems, cellular communications modeling and deployment.

**Education:**

Michigan State University:

BA, 1984 – Major: Computer Science, Minor: Mechanical Engineering

Boston University:

Masters Level Studies: System Engineering

**Licensing and Accreditations:**

Massachusetts Real Estate Salesperson Licensed since 2001

Massachusetts Real Estate Broker Licensed since 2007

Graduate, Realtor's Institute (GRI), 2004

Accredited Buyer's Representative (ABR), since 2002

Accredited Staging Professional (ASP), since 2002

**Community Involvement:**

2009-Present: Crystal Lake Conservancy – Founding Member, Recording Secretary, Executive Board

2004-Present: Newtonville Local Historic District Commission – Founding Member, Recording Secretary

**Awards and Recognitions:**

2000 – Warner Award for Exemplary Performance in Innovation

2010 – Environmentalist of the Year

2013 – Green Decade Award

2004-2006 US National Bronze Medalist, Synchronized Skating, Masters Division

Numerous Sales Awards in the Real Estate Industry



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#404-18

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RECEIVED  
MAYOR'S OFFICE/CLERK  
2018 JUN 18 AM 10:08  
Barbara A. O'Hara, Clerk  
Newton, MA 02459  
June 13, 2018

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

To the Honorable City Councilors:

I am pleased to reappoint John Martin of 12 Simpson Terrace, Newtonville as a member of the Newtonville Historic District Commission. His term of office shall expire on January 1, 2020 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

ELKUS MANFREDI ARCHITECTS

JOHN MARTIN AIA, LEED AP

*Principal*

## EDUCATION

MASTER OF ARCHITECTURE  
HARVARD UNIVERSITY GRADUATE  
SCHOOL OF DESIGN, 1989

BACHELOR OF ENVIRONMENTAL  
DESIGN IN ARCHITECTURE  
BACHELOR OF SCIENCE IN CIVIL  
ENGINEERING  
NORTH CAROLINA STATE UNIVERSITY,  
1985

## AFFILIATIONS

AMERICAN INSTITUTE OF ARCHITECTS

BOSTON SOCIETY OF ARCHITECTS

LEED ACCREDITED PROFESSIONAL

NAIOP

SOCIETY OF COLLEGE AND UNIVERSITY  
PLANNING

URBAN LAND INSTITUTE

## PUBLICATIONS

"STUDENTS IN MY BACKYARD:  
HOUSING AT THE CAMPUS EDGE AND  
OTHER EMERGING TRENDS IN  
RESIDENTIAL DEVELOPMENT"  
PLANNING FOR HIGHER EDUCATION  
(SCUP JOURNAL), JANUARY 2009

A principal of Elkus Manfredi Architects, John Martin has broad experience working with private and public sector leaders on a wide variety of building types and planning projects. His skills as an architect, master planner, and manager are informed by dual degrees in architecture and civil engineering, which give him added expertise in the technical requirements for buildings, open space, and infrastructure. At the heart of John's work are urban environments that integrate living, working, and social activities in enlivening pedestrian settings.

Projects that John has managed range from large-scale master plans for entire campuses and retail/residential mixed-use developments, to high-rise, high-hazard science buildings and the revitalization of urban communities. These include planning and building design for the LEED Gold-certified Harvard Graduate Commons and The Eli and Edythe L. Broad Institute of MIT and Harvard, both in Cambridge, Massachusetts; the master plan and first life science building at the expanded Johns Hopkins Medical Center Campus in East Baltimore; South Campus Gateway, a mixed-use gateway to The Ohio State University; Station Landing, a transit-oriented waterfront development with a mix of uses in Medford, Massachusetts; and the Avalon Exeter residential tower in downtown Boston.

## PROJECT EXPERIENCE

## THE BROAD INSTITUTE AT SEVEN CAMBRIDGE CENTER | CAMBRIDGE, MASSACHUSETTS

*Laboratory of the Year, High Honors, 2007, R&D Magazine*

## HARVARD UNIVERSITY GRADUATE COMMONS | CAMBRIDGE, MASSACHUSETTS

*Dormitory Building Rated LEED Gold; Honor Award for Excellence in Planning, 2008, SCUP/AIA+CAE*

## RUTGERS UNIVERSITY MASTER PLAN | NEW BRUNSWICK, NEW JERSEY

## RUTGERS UNIVERSITY ACADEMIC BUILDING | NEW BRUNSWICK, NEW JERSEY

## RUTGERS UNIVERSITY HONORS COLLEGE AND UNIVERSITY APARTMENTS | NEW BRUNSWICK, NEW JERSEY

## WATERSTONE AT WELLESLEY | WELLESLEY – MASSACHUSETTS

*Gold Award – Excellence in Senior Design National Association of Home Builders, 2013; Excellence Award – Best New Development: Senior Housing, Multi-Housing News, 2012*

## STATION LANDING | MEDFORD, MASSACHUSETTS

*Disability Awareness Award, 2008, City of Medford; Smart Growth Award, 2006, Office for Commonwealth Development*

## ARBORPOINT AT STATION LANDING

## SKLINE AT STATION LANDING

## 75 STATION LANDING

## BOSTON SPORTS CLUB

## 150 SECOND STREET | CAMBRIDGE, MASSACHUSETTS

*Certified LEED Platinum*

## DUKE UNIVERSITY CENTRAL CAMPUS MASTER PLAN | DURHAM, NORTH CAROLINA

## JOHN G. RANGOS SR. BUILDING AT JOHNS HOPKINS SCHOOL OF MEDICINE | BALTIMORE, MARYLAND

## THE OHIO STATE UNIVERSITY – NORTH RESIDENTIAL DISTRICT MASTER PLAN | COLUMBUS, OHIO

## THE OHIO STATE UNIVERSITY – SOUTH CAMPUS GATEWAY | COLUMBUS, OHIO

*Urban Planning Honor Award, 2007, American Institute of Architects (AIA) Ohio*

## MILLENNIUM PHARMACEUTICALS – UNIVERSITY PARK AT MIT | CAMBRIDGE, MASSACHUSETTS

*Award for Excellence (as part of University Park at MIT), 2004, Urban Land Institute; Laboratory of the Year (35 Landsdowne Street), 2003, R&D Magazine*

## FENWAY TRIANGLE TRILOGY | BOSTON, MASSACHUSETTS

## 1330 BOYLSTON STREET | BOSTON, MASSACHUSETTS

## ALEXION AT 100 COLLEGE STREET | NEW HAVEN, CONNECTICUT

## AVALON AT ASSEMBLY ROW BLOCKS ONE AND FOUR | SOMERVILLE, MASSACHUSETTS

## AVALON EXETER | BOSTON, MASSACHUSETTS

## FRANKLIN &amp; MARSHALL COLLEGE | LANCASTER, PENNSYLVANIA

## HARVARD PILGRIM HEALTH CARE

## 1600 CROWN COLONY | QUINCY, MASSACHUSETTS AND WELLESLEY GATEWAY | WELLESLEY, MASSACHUSETTS

*Energy Star Qualified Building, 2007, United States Environmental Protection Agency*

## THAMES WHARF AT HARBOR POINT | BALTIMORE, MARYLAND

## UNIVERSITY OF PENNSYLVANIA – UNIVERSITY SQUARE | PHILADELPHIA – PENNSYLVANIA

*Award of Excellence, 2003, Urban Land Institute*



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#405-18  
Telephone  
(617) 796-1100  
Fax  
(617) 796-1113  
TDD/TTY  
(617) 796-1089  
Email  
rfuller@newtonma.gov

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

RECEIVED  
NEWTON CITY CLERK  
2018 JUN 18 AM 10:08  
June 9, 2018  
David A. Olson, Clerk  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint David Morton of 148 Edinboro Street, Newtonville as a member of the Newtonville Historic District Commission. His term of office shall expire on January 1, 2020 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

# DAVID PETER MORTON

148 Edinboro Street, Newton, MA 02460

## PROFESSIONAL EXPERIENCE

- 1982 to Present     David P. Morton Architect, Newton, MA  
Architecture & construction management;  
Responsible for all aspects of design, construction documents, construction supervision and business management  
  
<http://www.dpmortonarchitect.com>
- 1996 to 1997     North American Homes, Peabody, MA  
Modular home builder  
Position: Project Manager
- 1984 to 1995     Edinboro Builders, Inc., Newton, MA  
  
General contractor; residential renovation and new construction; commercial renovation  
Position: Owner  
  
Responsible for management of all phases of marketing, estimating, construction and financial control; liaison with owners and architects
- 1976 to 1982     Johnson Olney Associates, Inc., Architects, Boston, MA  
  
Architectural practice; commercial, educational, institutional and public sector  
Last Position Held: Project Architect  
  
Responsible for project management, construction documents and construction supervision

EDUCATION     Virginia Polytechnic Institute and State University, Blacksburg, VA;  
Degree: Bachelor of Architecture

PROFESSIONAL REGISTRATION     Registered Architect, Commonwealth of Massachusetts

ADDITIONAL EXPERIENCE     Licensed Construction Supervisor; Commonwealth of Massachusetts

AFFILIATIONS     National Trust for Historic Preservation



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#406-18  
Telephone  
(617) 796-1100  
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(617) 796-1089  
Email  
rfuller@newtonma.gov

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

RECEIVED  
NEWTON CITY CLERK  
June 8, 2018  
2018 JUN 18 AM 10:09  
MAYOR A. OLSON, OFFICE  
NEWTON, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Nancy Grissom of 7 Orris Street, Auburndale as a member of the Newtonville Historic District Commission. Her term of office shall expire on January 1, 2020 and her appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor



Nancy Grissom  
7 Orris St  
Auburndale, Ma 02466

- Resident of Newton for over 40 years. Owner of a house built in 1886.
- Realtor/Salesperson with in Newton for over 22 years, currently associated with Hammond Residential in Chestnut Hill.
- GRI and CRS real estate designations.
- Active with the Greater Boston Association of Realtors, currently serving on Grievance and Professional Standards Committees
- Member of the Newton Historical Commission since 2000 with nearly perfect attendance.
- Member of the Auburndale and Newtonville Local Historic Districts as a representative of the Newton Historical Commission.
- President of the Friends of the Newton Free Library.
- Long term interest in Preservation as member and volunteer for Historic New England and Historic Newton for more than 35 years.
- Nearly 30 years experience in the high tech computer industry working for New England Life Ins Co, Digital Equipment, and Data General Corporation – first as a programmer, later in application software product development, and finally in federal sales and marketing.
- Mount Holyoke graduate, where I took courses in architecture.

Nancy Grissom  
7 Orris St  
Auburndale, Ma 02466-1313

Office of the Mayor  
Newton City Hall  
1000 Commonwealth Ave  
Newton Centre, Ma 02459-1449

May 16, 2017

To whom it may concern,

This is my letter of interest to be reappointed to the Auburndale and Newtonville Local Historic District Commissions as well as the Newton Historical Commission. I have been the representative of the Newton Historical Commission to the Local historic district commissions in recent years. I am currently chair of the Newton Historical Commission.

I have attached my resume to this letter.

Thank you for your consideration.

Sincerely,

Nancy Grissom



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#407-18  
Telephone  
(617) 796-1100  
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TDD/TTY  
(617) 796-1089  
Email  
rfuller@newtonma.gov

RECEIVED  
Newton City Clerk  
2018 JUN 18 AM 10:09  
June 13, 2018  
David A. O'Connell, City Clerk  
Newton, MA 02459

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

To the Honorable City Councilors:

I am pleased to reappoint James Gross of 80 Highland Avenue, Newtonville as a member of the Newtonville Historic District Commission. His term of office shall expire on January 1, 2020 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

**JAMES C. GROSS**  
80 Highland Avenue  
Newtonville, Massachusetts 02460

**WORK EXPERIENCE**

June 2009 – Present

**Of Counsel**  
Madoff & Khoury LLP  
Foxborough, Massachusetts

Responsibilities: Draft briefs and consult with clients on all aspects of Chapter 11 cases

March 1989 – May 2009

**Managing Partner**  
Klieman, Lyons, Schindler & Gross  
Boston, Massachusetts

Responsibilities: Manage the practice of a six-person Boston law firm; advise and represent clients in all aspects of bankruptcy/insolvency law with emphasis on business and corporate reorganization.

October 1981 - February 1989

**Associate/Partner**  
Friedman & Atherton  
Boston, Massachusetts

Responsibilities: Advised and represented clients in all aspects of bankruptcy/insolvency law with emphasis on business and corporate reorganization; other areas of practice: general corporate matters, including corporate acquisitions; business and commercial litigation.

October 1979 - October 1981

**Law Clerk**  
Honorable Thomas W Lawless  
Chief Judge, United States Bankruptcy Court  
Boston, Massachusetts

Responsibilities: Researched legal issues, prepared legal memoranda, drafted court orders, opinions.

December 1977 - September 1979

**Attorney-Advisor**

Office of Opinions and Review  
Federal Energy Regulatory Commission  
Washington, DC

Responsibilities: Drafted orders and opinions for the Commission in areas involving the electric power, oil pipeline, and natural gas industries; presented and defended such orders and opinions before the Commission.

June 1975 - August 1975

**Legal Assistant**  
Boston Legal Assistance Project  
Roxbury, Massachusetts

Responsibilities: Interviewed clients, prepared letters, memoranda, briefs and pleadings, and represented clients in administrative and judicial proceedings in the areas of domestic relations, landlord/tenant, welfare and consumer protection law.

**EDUCATION**

LEGAL

Boston University School of Law  
Boston, Massachusetts  
J.D. June 1976

PRE-LEGAL

University of Rochester; Rochester, New York  
B.A. June 1972; Dean's list each semester  
Major: History; Graduated with Distinction

**ADDITIONAL EXPERIENCE**

Volunteer at Community Servings  
Jamaica Plain, Massachusetts

Member and Chairperson of the Newtonville  
Historical District Commission, Newton,  
Massachusetts

ESL Teacher at the Welcome Project  
Somerville, Massachusetts



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#369-18 Telephone  
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TDD/TTY  
(617) 796-1089  
Email  
rfuller@newtonma.gov

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

RECEIVED  
Newton City Clerk  
June 2018  
2018 JUN -6 PM 3:23  
Devin A. Olson, Clerk  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Paul Snyder of 9 Ardmore Road, West Newton as a full member of the Newton Upper Falls Historic District Commission. His term of office shall expire on July 1, 2019 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

*Ruthanne Fuller*

Ruthanne Fuller  
Mayor

#369-18

## Re: Newton Upper Falls Historic District Commission

Paul Snyder <attorneypaulsnyder@yahoo.com>

Wed 6/21/2017 12:15 PM

To: Amalia Timbers <atimbers@newtonma.gov>;

Hi Amalia.

Unfortunately I don't have a current resume and can't seem to locate an old one on my computer

Briefly, I was born in 1944, graduated from St Columbkille High School in Brighton in 1962, the University of Notre Dame in 1966. I graduated from Boston University School of Law and was admitted to the Mass Bar in 1971. I served with Area Counsel's Office and Regional Counsel's Office of the US Department of Housing and Urban Development from 1971 to 1986, was an associate at the law firm of McCullough, Stievater and Polvere to 1988, and with the Regional Counsel's office of the Federal Aviation Administration to 1990. For the next fifteen years I served as Senior Regional Attorney with the Federal Deposit Insurance Corporation.

I was twice elected to the Newton Board of Aldermen and was also elected twice as a National Vice President of the National Treasury Employees Union.

I have authored two novels: "An Angry God" and a sequel, yet to be published.

I live in West Newton, am married and the father of three children and eight grandchildren.

That's my life in a nutshell.

Paul

Sent from my iPhone

On Jun 21, 2017, at 10:23 AM, Amalia Timbers <[atimbers@newtonma.gov](mailto:atimbers@newtonma.gov)> wrote:

Hello Mr. Snyder,

Thank you for submitting your information on the City of Newton Boards and Commissions website.

However, I am asking that you send in a copy of your resume as I do not have one on file. You may email it or return to the application online to upload it.



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#370-18

#37018

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

June 9, 2018

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

RECEIVED  
NEWTON CITY CLERK  
2018 JUN -6 PM 3:23  
DAVID A. OLSON, CLERK  
NEWTON, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Judith Malone Neville of 68 High Street, Newton Upper Falls as a full member of the Newton Upper Falls Historic District Commission. Her term of office shall expire on January 26, 2021 and her appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor



**JUDITH MALONE NEVILLE**  
68 High Street  
Newton Upper Falls, MA 02464

### Education

|       |  |      |
|-------|--|------|
| Ph.D. | English and American Literature<br>Brandeis University | 1984 |
| M.A.  | English and American Literature<br>Brandeis University | 1976 |
| B.A.  | Wellesley College                                      | 1964 |

Dissertation *"Interpolated Narratives in Selected Works of Hawthorne, Poe, and Melville"*

### Experience

|              |   |
|--------------|---|
| 2013-present | Administrator/Curriculum, Wrentham Public Schools, Wrentham, MA   |
| 2012-2013    | <b>Director of Curriculum &amp; Instruction (Interim), Wellesley Public Schools, Wellesley, MA</b>  |
| 2011-2012    | <b>Assistant Superintendent (Interim), Sudbury Public Schools, Sudbury, MA</b>  |
| 2010-2011    | <b>Interim Principal, Brookline Public Schools, Brookline, MA</b>   |
| 2007-2009    | <b>Consultant/Interim Principal, Arlington Public Schools, Arlington, MA</b>  |
| 2002-2006    | <b>Assistant Superintendent of Schools, Newton, MA</b> <ul style="list-style-type: none"> <li>• Supervisor of 21 schools, Newton Summer School, METCO program, Career and Technical Education, Newton Community Education</li> <li>• Evaluator of 21 principals and 4 directors</li> <li>• Co-chair Curriculum Council, Elementary Progress Report Committee, Joint Oversight Committees, Principal Search Committees, Smaller Learning Communities Grant Committee, Life-Threatening Allergies Committee, Wellness Policy Committee, Elementary Equity Committee</li> <li>• Member, World Language Review Committee, Achievement Gap Committee, No Child Left Behind Committee, Newton North Task Force</li> </ul> |
| 1986-2002    | <b>Principal, Charles E. Brown Middle School, Newton, MA</b> <ul style="list-style-type: none"> <li>• Supervisor of daily operations of a school which has fluctuated in enrollment from 500 to 1000 to 760</li> <li>• Evaluator and supervisor of over 100 professional staff</li> <li>• Overseer of two major construction projects</li> <li>• Facilitator of restructuring from a two-year junior high school to a three-year middle school</li> <li>• Implementor of state curriculum frameworks</li> <li>• Teacher of English</li> <li>• Co-chair of School Council</li> <li>• Member of system-wide committees</li> <li>• Co-chair of Newton Principals' Association, 1997-2002</li> </ul>                    |
| 1976-1986    | <b>Housemaster, Newton South High School, Newton, MA</b>  |

- Supervisor of daily operations of a house of 500 students
- Evaluator and supervisor of forty professional staff
- Member of school and system-wide committees

1976 (May-Sept.) **Special Assistant, Office of the Secretary of State, Commonwealth of Massachusetts**

1976 (Jan-May) **Graduate Assistant, Brandeis University, Waltham, MA**

1972-1986 **Teacher, Newton South High School, Newton, MA**

1970-1972 **Graduate Assistant, Villanova University, Villanova, PA**

#### **Experience continued**

1967-1970 **Teacher, Attleboro High School, Attleboro, MA**

1966-1967 **Teacher, Classical High School, Providence, RI**

1965-1966 **Teacher, Newton South High School, Newton, MA**

#### **Post-doctoral Graduate Courses**

"Cultural Relevance," Newton, MA, 2003

"Naples as Melting Pot," Vergilian Society, Cuma, Italy, summer 2001

"Greek Studies," Brandeis University, Waltham, MA, 1999-2000

"Good Teaching, Better Learning: Instruction for All Students," Plymouth State College, Plymouth, NH, fall, 1998

"Learning Strategies for Low Achieving Students" Boston College, Chestnut Hill, MA, summer 1998

"Active Anti-Racism" Fitchburg State College, Fitchburg, MA, fall 1997

"Education Law" Boston College, Chestnut Hill, MA, summer, 1997

"Financial Management & Control in Non-Profit Organizations" Harvard University, Cambridge, MA, summer 1994

"Court System" Lincoln Filene Center, Tufts University, Medford, MA, summer 1989

"Educator's Look at the Law" Lincoln Filene Center, Tufts University, Medford, MA, fall 1989

"Purposes & Effects of Education" Harvard University, Cambridge, MA, spring, 1987

"Institute on School Climate and Governance" Harvard University, summer 1985

"Observing & Analyzing Teaching" Fitchburg State College Fitchburg, MA, fall, 1983

#### **Recent Presentations**

"Mourning Becomes Electra and the House of Atreus," Examined Life, Brandeis University, May, 2009, 2010, 2011, 2012.

"The Examined Life: Greek Studies in the Schools," Classical Association of the Mid-West and Southern States, Memphis, TN, November, 2006

Leadership Academy, Newton Public Schools, 2004-2005

"The Three-Fors," Jingshan School International Conference, Beijing, China 2003

"Teaching, Learning and Social Responsibility," Lesley College, April 2002, 2001 and March 1999.

#### Grants

"The Examined Life: Ancient Greek Studies in the Public Schools," Project Administrator, funded by grants from the Newton Schools Foundation, AHEPA (American Hellenic Educational Progressive Association Housing Authority), and the National Endowment for the Humanities, 1998-present.

"Assessment," Project Administrator, funded by a grant from the Massachusetts Department of Education, 1990-1992.

#### References

Dr. Jeffrey Young, Superintendent, Cambridge Public Schools

Dr. James Marini, Interim Superintendent, Newton Public Schools

Dr. Irwin Blumer, Graduate School of Education, Boston College

Dr. Ann O. Koloski-Ostrow, Chair, Classics Department, Brandeis University

Dr. Carol Daynard, Assistant Superintendent (retired), Newton Public Schools

Dr. Ray Shurtleff, Consultant

Dr. Kathleen Bodie, Superintendent, Arlington Public Schools

Dr. Bill Lupini, Superintendent, Brookline Public Schools

Dr. Anne Wilson, Superintendent, Sudbury Public Schools

Dr. David Lussier, Superintendent, Wellesley Public Schools

Dr. Chris Martes, Interim Superintendent, Wrentham Public Schools



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

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(617) 796-1089  
Email  
rfuller@newtonma.gov

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

June 4, 2018

RECEIVED  
Newton City Clerk  
2018 JUN -6 PM 3:23  
David A. Olson, CMG  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Laurie Malcom of 95 Algonquin Road, Chestnut Hill as a full member of the Newton Upper Falls Historic District Commission. Her term of office shall expire on December 24, 2019 and her appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

Laurie M. Malcom

95 Algonquin Road  
Chestnut Hill, MA 02467

December 24, 2013

The Honorable Setti Warren  
Mayor of Newton, Massachusetts  
City Hall  
Newton, Ma 02459

Dear Mr. Mayor,

I am so very happy after many years of service with the Newton Upper Falls Historical Commission in the role of Realtor Alternate, to be considered for the vacant Realtor seat position. This position was last held by Wendy Matthews, who stepped down when she left the community a few years ago, and has been open since.


I have been a Realtor since 2002, first with Coldwell Banker Residential Brokerage in Newton Center, and then in 2011, recruited by William Ravels Real Estate whom I currently represent. I hold a position on the Grievance Committee of the Greater Boston Real Estate Board, as well as this year being appointed to their Professional Standards Committee.

I am also a Trustee / Board member of the Fairways Condominium Trust in Chestnut Hill where I presently reside.

This year in October, I had the invaluable experience of attending my first Massachusetts Historic Preservation Conference in Lexington. I learned about Demolition Delays and how each City / Town is different in enforcement, and about tools that could help a Commission be more effective.

There is always so much more to learn, Mr. Mayor, and I thank you for giving me the opportunity to be part of this Commission and keep growing.

Respectfully,



Laurie Malcom MPH, ABR, SRES  
Realtor

Laurie Malcom

Page 2

*Enrollment Supervisor, Puritan Life Insurance Company, Providence RI (1983 - 1984)*  
 Managed and trained teams of enrollers in selling corporate payroll deduction plans.

- Personally sold more than \$6 million worth of whole life insurance during a ten week period.
- Sales closing ratio averaged 90-100%.

*Agent / Broker, New York Life Insurance Company, Wellesley MA (1981 - 1983)*

- Built an active insurance practice, including development of a lead referral system and marketing a direct mail promotional program, in addition to administrative functions and ongoing customer support.
- Top-producing sales agent/broker with this diversified insurance company. Marketed a complete line of life, health and annuity products to individuals and groups throughout Massachusetts.

#### ACHIEVEMENTS

- Consistently exceeded annual sales goals and premium objectives
- Developed and managed the entire sales cycle, from initial client consultation, product presentation, pricing, to final sales closing.
- Achieved top performance account retention, add-on sales and growth. Received numerous company awards.

*Field Underwriter, Fidelity Union Life Insurance Company, Somerville MA (1980 - 1981)*

- Developed and managed the entire sales cycle, from initial client consultation, cold-calling, sales presentations, closings, handling inquiries and processing applications.
- Achieved sales of over \$1 million within first four months.
- Consistently exceeded sales goals and premium objectives. Received Fidelity Union's "National Sales Award" for first year performance.
- Led National Training Class in first year's revenues booked.

#### Professional Experience, Event Planner

Event Planner, Responsible Retailing Forum, Inc. (2006-present). A 501(c) 3 non-profit organization with offices in Waltham, MA. RRF brings together retailers and their suppliers, regulators and law enforcement, state attorneys general, federal agencies, public health and advocacy organizations, and researchers to identify and promote effective practices to reduce underage sales of alcohol, to intoxicated customers.

Six years of coordinating the RRF's annual meeting in venues such as Santa Fe, Pittsburgh, Maryland, New Orleans, Park City and Boston.

- Identified venues and sourced out hotels
- Coordinated details of annual meeting
- Reviewed proposals
- Signed contracts
- Negotiated discounts for catering, lodging, transportation

Laurie Malcom

**Education**

- Master of Public Health, Boston University, School of Public Health, Boston MA, 1995
- Bachelor of Science, Management, Lesley College, Cambridge MA, 1991
- Certification Medical Laboratory Technology, Carnegie Institute, Boston MA, 1982
- Twenty plus years of professional sales and marketing training
- Graduate coursework in Negotiation and Conflict Resolution
- Ongoing CEU coursework to maintain my Real Estate license

**Licenses**

- Certification in Food Sanitation (ServSafe, National Restaurant Association Educational Foundation)
- Certified Instructor, National Restaurant Association Educational Foundation
- Licensed Massachusetts Insurance Producer
- Licensed Massachusetts Real Estate Agent

**Special Skills**

- Excellent verbal, written and research skills
- Fundraising
- Programming
- Event Planning



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#372-18

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Fax

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(617) 796-1089

Email

rfuller@newtonma.gov

June 4, 2018

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

RECEIVED  
Newton City Clerk  
2018 JUN - 6 PM 3:23  
David A. Olson, Clerk  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Donald Lang of 999 Chestnut Street, Newton Upper Falls as a full member of the Newton Upper Falls Historic District Commission. His term of office shall expire on December 24, 2019 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor



## RE: NewtoUpper Falls Historic District Commission

Donald Lang <

Fri 8/4/2017 5:17 PM

To: Amalia Timbers <atimbers@newtonma.gov>;

Hello Amalia,

I will serve another term because I am very committed to preservation of historic architecture and neighborhoods and my home is within the district.

Donald Lang

---

**From:** Amalia Timbers [mailto:atimbers@newtonma.gov]  
**Sent:** Friday, August 04, 2017 2:41 PM  
**To:** Donald Lang  
**Cc:** Barbara Kurze  
**Subject:** Re: Newto Upper Falls Historic District Commission

Thank you Mr. Lang. I appreciate your effort.

One other item I will need from you is a brief statement stating why you are interested in serving on the commission for another term.

Regards,

Amalia Timbers -  
617-796-1118

---

**From:** Donald Lang  
**Sent:** Friday, August 4, 2017 2:23:19 PM  
**To:** Amalia Timbers  
**Cc:** Barbara Kurze  
**Subject:** RE: Newto Upper Falls Historic District Commission

The web site did not work for me. Same probelm. I acknowledge my technophobia.

Donald

---

**From:** Amalia Timbers [mailto:atimbers@newtonma.gov]  
**Sent:** Friday, August 04, 2017 2:15 PM  
**To:** Donald Lang  
**Cc:** Barbara Kurze  
**Subject:** Newto Upper Falls Historic District Commission



December 2012

## DONALD LANG AIA RESUME

President and Principal Architect

Forty years experience in the business of architecture, construction and development.

### ARCHITECTURE

**Donald Lang Architects, Inc.** Newton and Cambridge, MA. 1979- 2012

- Created award winning architectural firm serving regional and national clients.
- Provided thoughtful, cost conscious design, litigation sensitive documentation and effective construction administration for public and private clients.
- Specialized in residential and commercial projects involving renovation, restoration and adaptive reuse of 19th and early 20th century buildings.
- Sought by luxury residential developers for multi-unit condominium and townhouse projects utilizing various project delivery methods and integrating new construction with restoration in sensitive or historical contexts in Cambridge, Belmont and Newton MA.
- Developed special expertise for food service projects including location evaluation, concept development, commercial kitchen equipment, complete interior and lighting design packages.
- Developed special design/build packages for national restaurant franchisers providing site evaluations around the U. S., design, construction documents and all municipal approvals.
- Enhanced architectural product quality, increased office efficiency and reduced support personnel overhead by exploiting full technology based systems and equipment including LAN with internet connection, CAD, file and data transfers and in-house color plotting and printing.
- Created marketing programs and graphic materials exploiting traditional "Beaux Arts" free-hand drawing and water color abilities as well as computer based illustration and page design.
- Designed portable furniture, exhibit system and individual corporate trade show exhibits.
- Organized start-up of "INVISIBLE" Products Corporation to manufacture patented furniture and exhibit system. As CEO, provided financing, strategic planning, international sales and marketing. Licensed mature business to international wholesale distributor. \$3.5 million sales.
- Architectural clients included private residences, historic property owners, Towns of Littleton MA and Winthrop MA, Glynn Hospitality Group, Pho Pasteur Restaurants, Bertucci's Restaurants, MacDonalds Restaurants and Giorgio Armani.
- Refer to the DLA web site at [www.dlaboston.com](http://www.dlaboston.com) for more information.

### CONSTRUCTION

**Renovate, Inc.** Cambridge, MA. 1971- 1982

- Built successful licensed general contracting firm employing 30 people on multiple sites.
- Excelled at detailed construction estimating, critical path time scheduling, "buy out" contracts for project materials, site supervision, conflict resolution and project cost control.
- Preferred by Boston's BRA, Brookline, Newton and Cambridge Community Development Departments for their highest quality, complex or distressed rehabilitation projects.
- Developed technical expertise for a systematic approach to renovation based on replicable operations, which allowed precise construction cost estimating and scheduling.
- Offered "turnkey" design/build packages including complete architectural documentation, integrated construction contracts, budget, schedule and site procedures for utilizing 100% subcontractor labor force, virtually eliminating cost and schedule overruns.
- Engineered logistical solutions for technical construction in specialized environments, such as "on air" television studios, including critical path and off-hours scheduling.

- Clients included cities of Boston, Cambridge, Brookline and Newton, WNEV-TV Channel 7, Unihab/ Renovate, Inc., retail stores, restaurants and private individuals. \$8 million completed.

### PROPERTY ANALYSIS

**Donald Lang Architects, Renovate, Inc.** Newton and Cambridge, MA. 1972- 1994

- Created site feasibility studies, zoning analyses, financial proformas and project financing brochures for residential real estate developers. Presented projects to construction lenders.
- Performed inspections of single family houses, condominium units, common areas and multifamily property for prospective buyers, real estate brokers and lending institutions.
- Conducted inspections of commercial property to determine compliance with zoning, building code, access and A.D.A. regulations, physical condition, and feasibility of new uses.
- Inspected 200 units of Boston Housing Authority's Section 8 housing in Boston, Roxbury, Mattapan and Dorchester to evaluate compliance with H.U.D. Minimum Property Standards.
- Northeast regional contractor for inspection and remediation of 1400 units of Massachusetts Rental Voucher Program housing units in Lowell, Lawrence, Methuen, Haverhill, Amesbury, Newburyport, Salem, Beverly, Gloucester, Peabody and Bedford to bring units into compliance with EOCD, state sanitary and Massachusetts building and fire codes standards.
- Measured buildings, prepared and certified plans of residential condominiums for master and unit deed registry filings according to Massachusetts General Laws.
- Prepared Historical Site Analyses for 21E environmental assessments, including coordinated research of municipal and state DEP records.
- Inspected and documented environmental remediation of hazardous waste sites, including underground fuel storage tank removal, surveying, monitor well drilling and water sampling.
- Clients included U.S. Department of H.U.D., Massachusetts EOCD, Comfed Savings, Shelter Innovation, Inc., Ground Water Consultants, Inc. and various Boston attorneys.

### EDUCATION

**Yale University** New Haven, CT. Vincent Scully Lecture Series: 2004

**Goucher College** Towson, MD. Historic Landscape Preservation Conference: 2004

**Boston Society of Architects** Boston, MA. Continuing Education Seminars: 1993- 2009

**Harvard University** Cambridge, MA. Continuing Education: 1982

**Catholic University of America** Washington, DC. Bachelor of Architecture Degree: 1970

**Loomis (Chaffee) School** Windsor, CT. Diploma: 1965

### HONORS and PUBLIC SERVICE

- Achieved Massachusetts architectural registration. 1979
- Received Housing Design Award for 336 Harvard Street Development. 1980
- Appointed to Harvard Square "Half Crown" Historic District Commission. 1982
- Admitted to American Institute of Architects and Boston Society of Architects. 1983
- Awarded three U.S. mechanical patents for modular furniture/exhibit system. 1986- 1993
- Associate Member Massachusetts Restaurant Association. 2000
- Appointed to Chestnut Hill Historic District Commission. 2001
- Appointed to Newton Historical Commission. 2003; elected Chairman 2007 to present
- Appointed to Massachusetts Architectural Access Board. 2004; elected Chairman 2009 to present
- Appointed to Newton Community Farm Commission. 2005
- Received Newton Preservation Award for Restoration of 999 Chestnut Street. 2008



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#373-18

Telephone  
(617) 796-1100

Fax

(617) 796-1113

TDD/TTY

(617) 796-1089

Email

rfuller@newtonma.gov

June 4, 2018

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

RECEIVED  
NEWTON CITY CLERK  
2018 JUN - 6 PM 3:23  
David A. Olson, Clerk  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to reappoint Jeffrey Riklin of 37 High Street, Newton Upper Falls as a full member of the Newton Upper Falls Historic District Commission. His term of office shall expire on July 31, 2020 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

#373-18

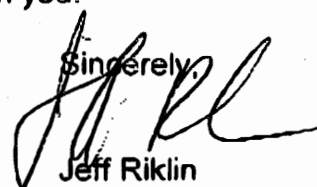
Jeffrey R. Riklin  
37 High Street  
Newton Upper Falls, MA 02464

Mayor Setti D. Warren  
1000 Commonwealth Avenue  
Newton, MA 02459

Dear Mayor Warren,

I am writing to express my interest in being reappointed to the Newton Upper Falls Historical Commission. I hope that my more than 10 years of service on this board will continue, and that my work has been helpful to my neighborhood. I look forward to hearing from you.

Sincerely,



Jeff Riklin

#373-18

# **NEW ENGLAND HOMECRAFTERS, INC.**

57 High Street  
Newton, MA 02464

## **Jeffrey R. Riklin**

### **PROFESSIONAL AFFILIATIONS:**

Newton Upper Falls Area Council, 2012- present.

Newton Upper Falls Historical Commission, 2003-present, member of the board.

Newton Upper Falls CDC, 2003-present, member of the board.

Boston Building Materials Coop, Board of Directors 1985- 97; President 1993-97.

The Building Materials Resource Center, Board of Directors 1993-97; President 1993-97.

Member of the Zoning Committee of the Jamaica Plain Neighborhood Council, 1987-1990, responsible for developing the IPOD to rezone Jamaica Plain.

### **LICENSURE:**

MA State Construction Supervisor's License (#043253)

Home Improvement Contractor's License (#102868)

**INSURANCE:** Workmen's Compensation.

**LANGUAGES:** Bilingual Spanish/English.

**REFERENCES:** Available upon request.

**PERSONAL:** Resident of Newton Upper Falls for 15 years, Newton for 24 years, married with three children; active coach in soccer, basketball, Nordic skiing, softball, and lacrosse, as well as hiking and backpacking.



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

#374-18  
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Email  
rfuller@newtonma.gov

RECEIVED  
Newton City Clerk  
2018 JUN -6 PM 3:23  
June 4 2018  
David A. O'Connell, Clerk  
Newton, MA 02459

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

To the Honorable City Councilors:

I am pleased to reappoint Jay Walter of 83 Pembroke Street, Newton as a full member of the Newton Upper Falls Historic District Commission. His term of office shall expire on July 1, 2020 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

# Jay C. Walter AIA

## resume

### EDUCATION:

Master of Architecture, University of Pennsylvania. 1981  
Bachelor of Fine Arts, Maryland Institute, College of Art. 1979  
 Dean's List, Summa Cum Laude.  
NEA Design Fellowship: Awarded to study surface structures. 1980

### PROFESSIONAL ACTIVITIES:

Member- American Institute of Architects  
 Member- Boston Society of Architects  
 Member- NASE Northeast Assoc. for Sustainable Energy  
 Board Member, Town of Hanson Zoning Board of Appeals 1988-1995  
 Zoning Bylaws Committee, Hanson, 1993-1996  
 Regional Design Committee, BSA, 1991-1995  
 Pre K-8 Facilities Subcommittee- Whitman Hanson Regional School Com, 1995 Hanson  
 Town Hall Building Committee- chairman 1997-1998  
 Founder- Sustainable Waste Management Collaborative. 2008  
 Vice President- Newton Historic Society/ Historic Newton 2005- 2015  
 Director Newton Eco-Project. 2009-2015.  
 Friends of Farlow Park Board member- Historic park restoration project 2005- present  
 Member- Newton Upper Falls Historic Commission. 2008- present  
 Newton Solar Coach- Solarize Mass residential solar program 2013  
 Community Outreach Director- Solar Smart Newton residential solar program 2014  
 Community Organizer- Newton Solar Challenge residential solar program 2015  
 Newton Zoning Reform Advisory Group 2014  
 Friends of Austin Street- community housing advocates 2015  
 Trustee- Jackson Homestead /Newton History Museum 2016

### WORK EXPERIENCE:

#### **OWNER-Entasis Architects PC: 1994-2017**

Parker Residence: Newton Centre, Ma. 2017  
 Total rehabilitation and garage/family rm. addition to historic home.  
Meyer Residence: West Newton, Ma. 2017  
 Rear addition for kitchen expansion and aging in place upgrades.  
Irvington Residence: Waban, Ma. 2016  
 Total rehabilitation and garage/mudroom addition to historic home.  
Werb/Katz Residence: Newton Upper Falls, Ma. 2016  
 Restoration/rehab. of early 20<sup>th</sup> C mill worker's house.  
Prokop Residence: Auburndale, Ma. 2016  
 Backdoor vestibule, porch demolition & façade restoration, rear yard hardscape  
Gluck Residence: Harrison, Maine. 2016  
 Kitchen/living room remodel in a lakeside vacation home.  
Schmidt Residence: Newton Corner, Ma. 2015  
 Attic apartment remodeling w/ kitchenette.  
Chiou Residence: Weston, Ma. 2015  
 Whole house remodeling including kitchen.  
Bigger Residence: Cold Spring Harbor, N.Y. 2015  
 Contemporary roof canopy on historic home, yard hardscape.



- Niederkorn Residence: Needham, Ma. 2015  
Kitchen/ mudroom/ bedroom suite addition.
- Rothwell Residence: Newtonville, Ma. 2015  
Kitchen addition and remodeling.
- Linsky Residence: Newtonville, Ma. 2015  
Condo conversion of two family residence.
- Boylan Residence: North End, Boston Ma. 2015  
Kitchen/ living room remodel in penthouse apartment.
- Powderly Residence: West Newton, Ma. 2015  
Attic master bedroom suite build-out w/ new dormer on historic home.
- Judge Residence: Belmont, Ma. 2015  
Vestibule within wrap-around porch, interior remodeling.
- Ballis Residence: Newton Corner, Ma. 2014  
Restoration of 1880s home exterior; interior gut/rehab. into 4-unit condo.  
*winner of a 2015 Newton Preservation Award*
- Swager Residence: Newton Corner, Ma. 2014  
Historic exterior restoration of an 1880 Victorian house.
- Bentaincourt Residence: Newton Highlands, Ma. 2014  
Rear kitchen and family room addition w/ major interior remodeling.
- McKay Residence: Newtonville, Ma. 2014  
New garage adjacent to 1890 Victorian home.
- Mallarkey Residence: Newton Corner, Ma. 2014  
Kitchen & several bathroom remodelings.
- Segal Residence: Needham, Ma. 2014  
Whole house remodeling of Craftsman-styled home.
- Dittman Residence: West Roxbury, Ma. 2014  
Rear family room addition.
- Waldman Residence: Newton Corner, Ma. 2013  
Replace garage structure w/ an artist studio.
- Gluck Residence: Harrison, Maine. 2013  
Dormer addition to create a bunk room for a vacation house.
- Powdermaker Residence: Waban, Ma. 2013  
Total house gut/rehab. with large addition.
- Ecker Residence: Newtonville, Ma. 2012  
Master bedroom/bathroom remodeling.
- Tezler Residence: Newton Corner, Ma. 2012  
Kitchen remodel w/ new sit-in bay and mudroom addition.
- Frorer Residence: Newton Center, Ma. 2012  
Kitchen remodeling and new deck.
- O'Hara Residence: Waltham, Ma. 2012  
Kitchen/dining rm, mudroom remodeling.
- Swager Residence: Newton Corner, Ma. 2012  
Entry hall stairway restoration and powder room remodeling.  
*winner of a 2015 Newton Preservation Award*
- Auerbach Residence: West Newton, Ma. 2012  
New two car garage w/ living space above to match historic 1885 mansard style home.
- Murry Residence: Squantum, Ma. 2012  
Attic build-out into master bedroom suite.
- Browne Residence: Newton Centre, Ma. 2011  
Two story rear addition w/ family rm, kitchen and M. bedroom suite above.
- Bernstein Residence: Newton Centre, Ma. 2011  
Total interior demo./rehab. of 1860 mansard-style home.

- McNerney Residence: Cambridge, Ma. 2011  
Attic remodeling; Master bath build-out; eyebrow dormer.
- Blanco Residence: Newton Corner, Ma. 2011  
Attic build-out for bedroom & bath.
- Schmill Residence: Needham, Ma. 2011  
Kitchen, mudroom remodeling w/ new screen porch
- Sadowsky Residence: Newton Centre, Ma. 2011  
Two-car carport with multi-level deck above.
- Gage Residence: Newton Centre, Ma. 2010  
Kitchen, family rm. & mudroom addition with attached garage  
*winner of a 2010 Newton Preservation Award*
- Meyer Residence: Thompsonville, Ma. 2010  
Second story over garage for violin makers studio.
- McLeod Residence: Newton, Ma. 2010  
Eat-in bay addition to kitchen; mudroom.
- O'hara Residence: Waltham, Ma. 2007  
Remodeling Guest room over garage..
- Smart Residence: Ashland, Ma. 2009  
Office suite build-out over a two-car garage.
- Dimond Residence: West Newton, Ma. 2009  
Master bedroom suite remodeling.
- Gillman Residence: Newtonville, Ma. 2009  
Second floor addition & master bedroom suite.
- Gluck Residence: Newton Corner, Ma. 2008  
New entry canopy on existing home.
- Talcott/Meigs Studio Residence: Newton Corner, Ma. 2008  
New 1800 sf studio cottage;  
*recipient of a LEED (Leader in Energy & Environmental Design) Silver certification*
- Kelly Residence: Newton Corner, Ma. 2008  
Master bathroom built from unfinished attic space.
- Lewis Ruben Residence: Newton Highlands, Ma. 2007  
Restoration of entry portico of 1880s period home.  
*winner of a 2008 Newton Preservation Award*
- Ecker Residence: Newton Corner, Ma. 2007  
Kitchen & basement remodeling in Bungalow-style home.
- Renning/Havens Residence: Newton Corner, Ma. 2007  
Dressing room, Master bathroom second floor addition.
- Swager Residence: Newton Corner, Ma. 2007  
Dressing room, Master bathroom & Laundry remodeling.
- Broomberg Residence: Concord, Ma. 2007  
Kitchen & family room, mudroom remodeling.
- Cantor Residence: West Newton, Ma. 2006  
Kitchen/dining room addition.
- Perse Residence: Newton, Ma. 2006  
New free standing detached garage.
- Gagne Residence: Georgetown, Ma. 2006  
Mudroom addition & entry canopy.
- Shaughnessey Residence: Newton Corner, Ma. 2006  
Basement build-out for in home office with separate exterior entrance.
- Shambroom/McCluskey Residence: Royalston, Ma. 2006  
Total gut rehab. of second home in western Mass. for artist owner.
- Golus/Varhas Residence: Newton Corner, Ma. 2005  
Kitchen/ mudroom addition & major remodeling.

- Whitehouse Residence: Newton, Ma. 2005  
Build-out the attic into an office, bath & guest room.
- McKay Residence: Newtonville, Ma. 2005  
Third floor interior remodeling for bedrooms & common room.
- Wiener Residence: Canton, Ma. 2005  
Kitchen remodeling & family room addition.
- Kenslea Residence: Newton, Ma. 2004  
Kitchen/ Laundry/Mudroom remodeling
- DiNateli Residence: Pembroke, Ma. 2004  
Two story addition w/ family room & master bedroom suite.
- North Star Trading Post & Cafe: Naples, Me. 2004  
Restoration of historic 7500 sf post & beam commercial structure.
- Bigger Residence: Cold Spring Harbor, N.Y. 2003  
Pool and associated site improvements; build-out home office interior.
- Green Residence: Darian, Ct. 2003  
Mudroom & new entry.
- Light/ Howatt Residence: Natick, Ma. 2003  
Two story addition w/ family room/garage & office/ master bedroom suite.
- Grohs Residence: Jamaca Plain, Ma. 2003  
Addition with family room and stairs; mudroom/ kitchen remodeling.
- Harrison Residence: Warwick, R.I. 2002  
Master bedroom, sunroom and office addition with roof deck
- Bigger Residence: Cold Spring Harbor, N.Y. 2001  
Kitchen/breakfast rm. & m. bath remodeling; historic preservation.
- Bergh Residence: Lexington, Ma. 2001  
Kitchen, family rm. & second story bedroom addition.
- Peterson Residence: Wellesley, Ma. 2001  
500 sf poolhouse.
- Kamin Residence: Canton, Ma. 2000  
Kitchen, mudroom, breakfast rm. & laundry remodeling.
- Fulton Residence: Wilton, Ct. 2000  
Mud room, stair addition to residence.
- Nickerson/Dyst Residence: Harvard, Ma. 2000  
Mud room, stair, studio & office addition and major remodeling to residence.
- Nahill Residence: Arlington, Ma. 2000  
Two story addition for family rm. & master bedroom.
- Metropolitan Baptist Church: Dorchester, Ma. 1999  
Remodeling and sanctuary addition.
- Osburne/Rothstein Residence: Lexington, Ma. 1999  
480 SF music room & study addition to residence
- Sieber/Gregory Residence: Newton, Ma. 1999  
Renovation and dormer addition to residence.
- Bridgewater State College Children's Center: Bridgewater, Ma. 1998  
1500 SF tension fabric structure for shade over a playground
- Bigger Residence: Shelter Island, N.Y. 1998  
2500 SF Residential total reconstruction.
- Atlantic Development: Hingham, Ma. 1998  
2300 SF Office Interior.
- Phillips Associates: Hingham, Ma. 1998  
1800 SF Office Interior.
- Phillips Residence: Norwell, Ma. 1998  
Renovations to Residence.

- Druxes Residence: Old Stonington, Vt.. 1997  
350 SF Residential addition.
- First Baptist Church: Hanson, Ma. 1997  
1200 SF office & classroom addition.
- Cataumet United Methodist Parish: Cataumet, Ma. 1996  
Narthex & balcony addition to historic Cape Cod Church.
- Connolly Residence: Whitman, Ma. 1996  
350 SF Residential addition.
- Hitching Post Restaurant: Hanson, Ma. 1996  
3000 SF commercial kitchen addition & remodeling- Phase III
- Glascott Residence: Weston, Ct. 1996  
Major renovation and additions to residence.
- St. John's Baptist Church: Woburn, Ma. 1995  
Handicap lift & associated remodeling for access.
- Roadway Safety Service Inc.: Ronkonkoma, New York. 1994  
2300 SF Office Interior.
- Nichol Residence: Wilton, Ct. 1994  
4300 SF new Residence.

- ASSOCIATE ARCHITECT**- Donham & Sweeney Architects Inc.  
Boston, Ma.; 1987-1994
- ASSOCIATE ARCHITECT**- Buttrick, White & Burtis Architects,  
New York City; 1984-1987
- STAFF ARCHITECT**- Ellerbe Architects,  
New York City, 1984
- STAFF ARCHITECT**- Gruzen Partnership Architects & Planners,  
New York City, 1981-1984

#### **CONSTRUCTION EXPERIENCE:**

- Design/Build, 1976-1981
- Decks: Baltimore & Philadelphia.  
A series of eighteen decks for a variety of inner city rowhouse sites.
  - Renovations: Baltimore & Philadelphia.  
Design & construction of numerous rowhouse renovations.
- Carpentry, 1973-1976
- Construction Superintendent: Baltimore, Md. 1976  
Employed by an owner/architect for a rowhouse renovation.
  - Exterior Trim Sub-contractor: Denver, Colorado. 1973-1976  
Installed siding, fascia, soffit, doors & windows in large housing developments.

#### **PUBLICATIONS:**

- American Home Style: January 1993  
"Dressed for the Season" article featuring the Forte residence kitchen
- Family Circle : March 1995  
"The Kitchen You've Always Wanted" article featuring the Forte residence kitchen
- Great Garages, Sheds and Outdoor Buildings: September 1996  
Garage design featured on the cover of Home Planners, Inc. book of designs.
- Newton Magazine: January 2009  
"What is Waste?" article featuring the Sustainable Waste Management Collaborative role in reducing the waste stream from construction sites.
- Newton Tab: April 22, 2009  
"Another 'green' Newton home wins the silver" article featuring the Talcott/Meigs studio LEED certification.

- Fine Homebuilding: annual house issue May 2009  
"Dump the Dumpster" article about waste management on construction sites.
- Green Building Pro/ Green Building Journal: January 2010  
"New Resources for Sustainable Waste Management in Residential Construction."
- NESEA's Northeast Sun: spring 2010 (Northeast Sustainable Energy Assoc quarterly)  
"Sustainable Waste Management on Residential Construction Sites"
- Boston Globe Magazine: Letter to the editor: August 2010  
"Home Demolition Fever is Back"
- Interior Graphic Standard: Second Edition 2010, John Wiley & Sons; contributor  
"Existing Building Interiors: Recycling Construction & Demolition Waste"

**AWARDS:**

- Newton Preservations Awards: November 2008  
Restoration of the entry canopy at 11 Chester Street, Newton Highlands.
- Green Business Award: May 2009  
Newton/Needham Chamber of Commerce for the Sustainable Waste Management Collaborative.
- Newton Preservations Awards: November 2010  
Restoration and additions to 808 Commonwealth Ave, Newton Centre.
- Newton Preservations Awards: November 2015  
Restoration 1880s home exterior and interior gut/rehab into 4-unit condo bldg.
- Newton Preservations Awards: November 2015  
Interior restoration of a stair hall.



# CITY OF NEWTON

## Planning and Development Board

Date: July 13, 2018

The Honorable City Council President, Marc Laredo

City of Newton  
1000 Commonwealth Avenue  
Newton, MA 02459

Ruthanne Fuller  
Mayor

Barney Heath  
Director  
Planning & Development

Rachel Powers  
CD Programs Manager  
Planning & Development

Members

- Peter Doeringer, Vice 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

Dear Honorable Council President Laredo:

Following the joint public hearing on the Needham Street Area Vision Plan held with Zoning and Planning on June 11, the Planning and Development Board discussed the document at our meeting on July 9.

The Planning and Development Board was favorably impressed both with the document itself and the extensive effort made to engage the community over the six-month period. The Board believes the document can and should be able to provide guidance with respect to future private and public redevelopment along Needham Street. Moreover, the Board found that this effort to update the City's Comprehensive Plan with specific regard to Needham Street to be extremely valuable.

Subsequent to the discussion, the Planning and Development Board voted 6-0-1 to recommend that docket item #185-18, the Needham Street Area Vision Plan, be officially adopted by the City Council and made part of the City of Newton's Comprehensive Plan.

Submitted on behalf of the Planning and Development Board

Sincerely,

Peter Doeringer  
Vice- Chair

1000 Commonwealth Ave.  
Newton, MA 02459  
T 617/796-1120  
F 617/796-1142  
www.newtonma.gov



Ruthanne Fuller  
Mayor

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

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www.newtonma.gov

Barney S. Heath  
Director

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## MEMORANDUM

DATE: July 13, 2018

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

MEETING DATE: July 16, 2018

SUBJECT: **Zoning Redesign**

CC: Ouida Young, City Solicitor  
Planning & Development Board  
City Council

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At the July 16<sup>th</sup> Zoning and Planning Committee the Planning Department will be introducing Joel Russell, our consultant supporting completion of the drafting of the proposed zoning ordinance through the summer and fall. A copy of his resume is attached. The Department is looking forward to working with Mr. Russell who brings years of experience in zoning with a background in both law and planning and a number of completed zoning ordinances.

In the meeting, Mr. Russell and Planning Department staff will be available to answer questions on our Zoning Redesign project and zoning approaches and tools more generally. He is also very interested in hearing more directly from the committee on the key issues to be addressed through this rewrite of the ordinance.

**JOEL S. RUSSELL, ESQ.**

16 Armory Street, Suite 7, Northampton, Massachusetts 01060

Telephone: (413) 584-7228

Mobile Telephone: 413-537-5942 E-mail:joelrusl@gmail.com

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I am a planning consultant and land use attorney with over 30 years of experience with a wide range of clients, public and private. My private practice encompasses zoning, land use planning and regulation, land conservation, and public policy. My entire career has focused on planning and implementing projects aimed at making communities and regions more sustainable, including the adoption of land use laws and form-based codes that I have drafted for over 60 communities. My practice is national, from California to Maine, with a focus on the Northeastern US. I am a member of the Bar in New York, Massachusetts, and Connecticut.

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**LAND USE ATTORNEY AND PLANNING CONSULTANT  
PRINCIPAL OF JOEL RUSSELL ASSOCIATES**

**Northampton, Massachusetts****1988—present**

Planning consulting and legal practice focusing on five primary areas: (1) planning and zoning for sustainable development, agricultural preservation, affordable housing, and protection of community character, (2) climate change mitigation and adaptation, (3) drafting form-based codes and design standards, (4) public participation in planning, and (5) land conservation. Clients include cities, towns, counties, developers, conservation organizations, landowners, and regional planning agencies. Work products include comprehensive plans, zoning ordinances, form-based codes, and other types of land use regulations.

**EXECUTIVE DIRECTOR, FORM-BASED CODES INSTITUTE**

**2013 – 2015****Chicago, Illinois**

Chief executive of small non-profit organization consisting of a network of leading form-based code practitioners in the US who provide education and training in the use of form-based codes.

**GLYNWOOD FELLOW, GLYNWOOD CENTER**

**2007--2012****Cold Spring, New York**

Part-time residency at the Glynwood Center providing advice and assistance on food systems, agriculture, and land use policy, including presentation at a seminar on land use policy, agriculture, and climate change.

**EXECUTIVE DIRECTOR,  
DUTCHESS LAND CONSERVANCY, INC.**

**1985—1988****Millbrook, New York**

Co-founded and directed land conservation organization that has protected thousands of acres of land using conservation easements and that helps municipalities revise land use regulations to protect farmland and open space.



**ADJUNCT ASSOCIATE PROFESSOR OF ENVIRONMENTAL STUDIES** 1988—1990  
**BARD COLLEGE**  
**Annandale-on-Hudson, New York**

Member of Graduate Committee and Professor in Masters of Science in Environmental Studies program. Courses taught: Land Use Planning, Environmental Decision Process, and Environmental Ethics.

**LAND TRUST DIRECTOR AND COUNSEL** 1982—1984  
**SCENIC HUDSON, INC.**  
**Poughkeepsie, New York**

Initiated land conservation program for major conservation organization in the Hudson Valley.

**RESEARCH FELLOW AND LECTURER IN LAW** 1979—1982  
**FRANKLIN PIERCE LAW CENTER**  
**Concord, New Hampshire**

Research and consulting to government agencies and private developers on renewable energy resource development, water law, and environmental policy; supervised staff of part-time law students; wrote report to Congress on hydropower development; taught courses in environmental law, energy law, and legal writing.

**LECTURER** 1981—1982  
**NEW HAMPSHIRE COLLEGE, GRADUATE SCHOOL OF BUSINESS ADMINISTRATION**  
**Manchester, New Hampshire**

**ASSOCIATE** 1978—1979  
**CLARK-MCGLENNON ASSOCIATES, INC.**  
**Boston, Massachusetts**

Consultant to federal agencies on environmental policy and mediation.

**LAWYER/PLANNER** 1977—1978  
**SKIDMORE, OWINGS & MERRILL**  
**Boston, Massachusetts**

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Barney S. Heath  
Director

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## MEMORANDUM

DATE: July 13, 2018

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  
Rachel Nadkarni, Long-Range Planner

MEETING DATE: July 16, 2018

SUBJECT: **#185-18 Discussion and adoption of Needham Street Vision Plan**  
DIRECTOR OF PLANNING requesting discussion and adoption of the Needham Street Vision Plan as an amendment to the 2007 Newton Comprehensive Plan.

CC: Planning & Development Board  
City Council

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Enclosed is the updated draft of the Needham Street Area Vision Plan in preparation of the Zoning and Planning meeting scheduled for July 16<sup>th</sup>.

### **Edits/Amendments Made Include**

In response to the June 11<sup>th</sup> Discussion and June 25<sup>th</sup> Public Hearing on the Draft Needham Street Area Vision Plan, the following edits/amendments were made:

- A Vision for Environmental Health
  - Additional discussion was added to pages on low-impact development, improving health of open space, and providing ready-access
    - Particular attention was given to highlighting the role of native plantings and low-impact development in ecological health, the importance of a seamless pedestrian experience connecting from natural areas into the sidewalk network, and the role of the conservation commission in implementing ideas in this chapter (pg. 13-15).

- Small errors were addressed (pg. 12 missing word)
  
- A Vision for Transportation
  - Additional notation was added to the MassDOT project page (pg. 21) regarding the value of improving pedestrian crossings in the Needham Street project – like the signalized crossings added at Newton Highlands Playground by the Route 9 exit.
  - The section on expanding transit includes a new short-term action – “Encourage and/or require electric or hybrid shuttles” (pg. 22).
  - The section on managing transportation demand was expanded to include analysis of the most recent American Community Survey data (2015) on commute patterns to and from Needham Street. Analysis was done on the Census Block Group most immediately surrounding Needham Street – the smallest geography for which the Census collects data (pg. 24 & 25).
  - A page was added highlighting themes from the big ideas in transportation brought forward from the Community Engagement Group (pg. 27).



# Needham Street Area Vision Plan 2018

**DRAFT**

Revised 7.12.2018



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## Acknowledgements

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 Marian Knapp, Newton Council on Aging Representative  
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### Barry Price Center

Major thanks are given to the Barry Price Center for hosting the Needham Street Area Vision Plan Community Engagement Group meetings

### Consensus Building Institute

Thanks are given to the Consensus Building Institute who provided advising services to the Planning and Development Department staff team regarding meeting organization





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# A Vision for Needham Street

**The Needham Street area will be a prosperous mixed-use district that emulates many of the positive aspects of Newton's villages. The area will be designed for all ages and connected to transportation options.**

**The Needham Street area will continue to reflect its industrial history and current commercial strength while adding diverse residential options and modern innovation industries. It will also be supported by a mix of cultural and recreational opportunities.**

**Future growth will incorporate environmentally sustainable technologies and design.**

## Introduction

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### What is a Vision Plan?

A Vision Plan is a guide for public policy action regarding a particular geographic region, in this case the Needham Street area, that is based in broader citywide strategies, past studies, data analysis, and community engagement.

Ultimately, a vision plan documents objectives for the future and sets out guidelines for private development and public investment meet those goals.

The Needham Street Area Vision Plan has been adopted by the Newton City Council as an amendment to the Comprehensive Plan. It will be utilized by the Planning Department staff as well as by the City Council committees when reviewing development proposals. It will also be used by the City's Planning, Public Works, Public Buildings, and Parks and Recreation departments among others when considering municipal improvement projects.

### Why write a Vision Plan for the Needham Street area?

The Needham Street area is a gateway into Newton from our neighbors to the west and has long been seen as a distinct district – connected to, but different from the Upper Falls and Newton Highlands villages nearby.

The area has been and is currently the subject of private development efforts. This work builds upon past plans with an eye to the future. Vision plans lay out strategy and it is important to check in and make sure that the strategies continue to resonate with the community. This plan builds upon past work, aiming to guide new development toward the future envisioned during the 2017-2018 community engagement process.



## Past Plans

### 1984 | Needham Street Corridor: Proposals for the Future

This plan concluded that land use should be steered toward office uses and resulted in the adoption of the Mixed Use-1 and Mixed Use-2 zoning districts in place today. Interestingly, the vehicles per hour noted in the 1984 plan, roughly match the figure for 2009.

### 1994 | Needham Street Consensus Group Report

This community group, led by the Economic Development Commission, created a set of recommendations relating to development density, traffic congestion, and tax revenue.

### 2010 | Envisioning Needham Street: Needham Street Corridor Plan

Graduate students from MIT produced a plan for Needham Street with community involvement. The primary recommendation was to promote a “finer grain” of buildings and uses at the north end of the street while retaining the larger lots at the southern end.



Envisioning Needham Street: Needham Street Corridor Plan, 2010

### 2011 | Needham Street Visioning Sessions

Community members came together over two nights to discuss big ideas for Needham Street’s future. Common themes included transportation options, land use mix, connectivity to adjacent neighborhoods, aesthetics, and sense of place.



Needham Street Visioning Sessions, 2011

## Introduction

# The Community Engagement Group Process

As is reflected in the final vision for the Needham Street area – there is no simple defined brand for the district. From the very beginning of the process it was clear that a range of voices would be needed to help guide the writing of this plan.

The City's Planning and Development Department convened a representative Community Engagement Group, reflecting diverse stakeholders in the future of the area. Understanding that representative forms of engagement can limit the number of participating voices, the process also included public commentary at each meeting as well as a public forum.

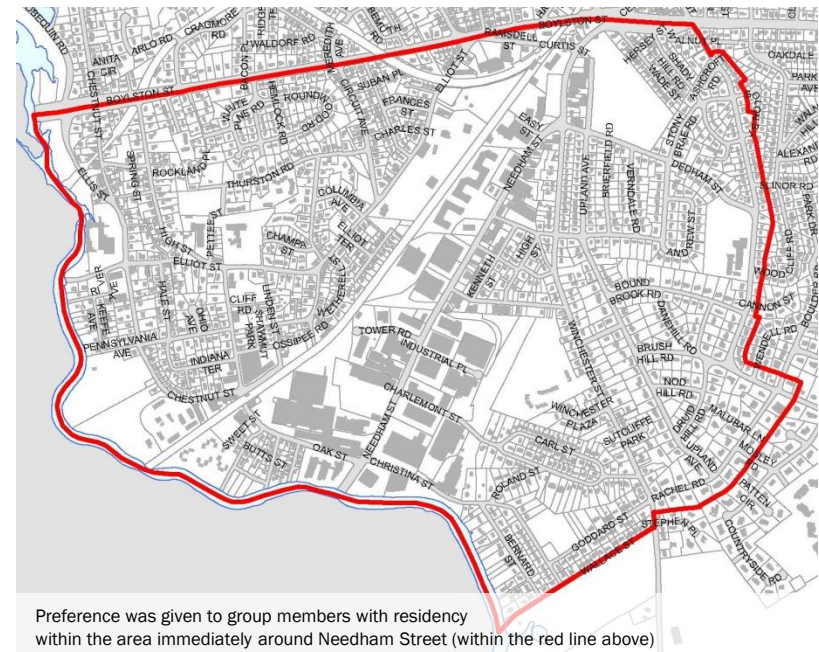
The representative seats included residents, commercial property owners, topic area experts, representatives from neighborhood and citywide organizations, and at-large representatives. Engagement Group members representing specific organizations were chosen by those organizations, members in the other categories submitted applications to the Planning Department for consideration. Preference was given to topic area experts who also resided in the area around Needham Street illustrated below, and residents were selected to be geographically dispersed within the area.

Community Engagement Group members were asked to agree to a Charter covering the ground rules for meeting operations, with such responsibilities for members and the City staff team as:

- Members' willingness to be constructive and commit to the principles of respect, decency, and civility.
- City to prepare and distribute meeting summaries.

The goals of the Community Engagement Group process were to:

- Provide a space for an exchange of information, citizen and stakeholder input, and deliberation
- Consider and explore needs and concerns of all parties regarding the future development of the area
- Identify key issues and ideas for the future of the area
- Jointly provide feedback on the pros and cons of options and seek to improve these options to meet the needs of residents, businesses, and the city as a whole





## Community Engagement Group Meetings

### 2017

**December 11<sup>th</sup>** – Kick-off Meeting

### 2018

**January 22<sup>nd</sup>** – Open Space, Recreation, and Sustainability

**January 29<sup>th</sup>** – Transportation

**February 12<sup>th</sup>** – Land Use and Economic Development

**March 12<sup>th</sup>** – Design

**March 26<sup>th</sup>** – Policy Considerations

**April 9<sup>th</sup>** – Synthesis of Feedback

**April 23<sup>rd</sup>** – Public Forum

**April 30<sup>th</sup>** – Final Thoughts

Members of the Community Engagement Group committed to participating in nine meetings over the course of five months. The Planning Department was impressed by the commitment of the group, attendance was excellent at each meeting, and members could be counted on to participate in lively discussions and civil disagreements.

As mentioned, the community engagement group was formed to advise the Planning Department in the preparation of this document. As such, diversity of opinion was seen as a positive. Consensus was not required from the group, though throughout the process, there were numerous points of agreement among members.

The work of the group included homework assignments, and individual, small group, and full group activities at the meetings. The output of all of this work can be [found online] for any who wish to review full documentation of these events. Public comments were taken at each meeting and are also covered in the minutes.

At the middle and end of the process, staff asked for feedback from the members of the group. Overwhelmingly feedback on the process itself was positive, particularly relating to the meeting organization as well as staff's responsiveness to mid-point requests for adjustments to meeting design.





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## A Vision for Environmental Health

**The Needham Street area will be designed to facilitate ecological health through restoration of existing open space.**

**The area will support healthy lifestyles with the creation of diverse, multi-use, natural areas that encourage use and environmental education.**



## A Vision for Environmental Health

### Increase climate resiliency

The properties along Needham Street are among the most paved in Newton. The lack of pervious surfaces (places where rainwater can soak into the ground) make this one of the hottest areas in Newton and put this area at higher risk to the effects of climate change.

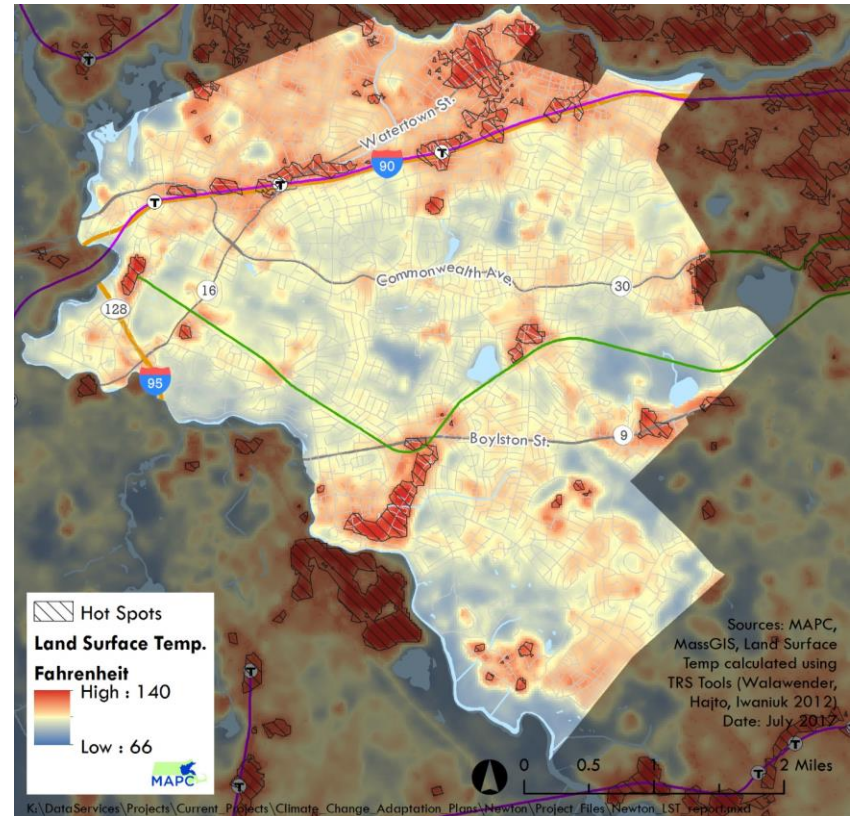
As a central part of the N<sup>2</sup> Innovation District, this is a prime place to incorporate innovative techniques and efficient technologies. The City of Newton would like to see any new development become a model for climate mitigation and system resiliency in Newton and the region.

#### Short Term Actions

- Require and/or incentivize development and renovations to build with:
  - Sustainable, energy efficient materials
  - Sustainable waste management plans (for before, during, and after construction)
  - Proper soil/erosion controls
  - Net zero energy goals
- Require and/or incentivize buildings to maximize energy efficiency, renewable energy generation, and to reduce the Heat Island Effect.

#### On-Going/Long Term Actions

- Increase shuttle services to open space/natural areas, transportation hubs, and cultural/community amenities to reduce emissions from single-occupancy vehicles.
- Create a “Sustainable Living” theme for Needham Street focused on the natural amenities of the area including the Charles River, South Meadow Brook, and the Upper Falls Greenway.



Needham Street is one of the areas of Newton that qualifies as a “hot spot,” as defined by Metropolitan Area Planning Council (MAPC) as an area of land within the top 5% of land surface temperatures in the Boston Metro Region.

Recommended fixes include:

- Increasing street trees and healthy green space
- Set design standards for new buildings regarding the Heat Island effect
- Protecting wetland resources to encourage natural hydrologic cycles
- Encourage alternate forms of transportation to reduce the exhaust being released from single-occupancy vehicles

## Promote Low Impact Development to protect wetlands and waterways

The South Meadow Brook crisscrosses the Needham Street area from a large wetlands complex east of Needham Street down to the Charles River. Because of the brook, a significant portion of the Needham Street area falls under the Rivers and Wetlands Protection Acts and the purview of the Conservation Commission, whose focus is to ensure projects do not negatively impact water resources.

Stormwater runoff should, to the greatest extent possible, reach the Charles River in the most natural way possible. Typical existing systems aim to move the runoff away from the source as quickly as possible after a storm with no filtering of pollutants. Preserving the quality of the river through low impact stormwater management is seen as a top priority to continue to improve the health of the local environment.

Several members of the Community Engagement Group highlighted the value they've found in visiting the banks of the Charles River and provided recommendations to guide more attention to this asset – e.g. better directional signs, an overlook at the end of the greenway, and a nature education center. The ecological investments in low impact development will ensure that visitors also find a cleaner, healthier natural environment when they arrive.

### Short Term Actions

- Update requirements in the zoning ordinance with respect to pervious/impervious coverage, landscaping, low-impact stormwater management, and erosion/sedimentation controls.
- Increase native plantings to address heat island effects, provide stormwater management, meet street and building shade desires, create habitat, and increase aesthetic appeal.
- Set standards for stormwater management in any new public streets/public spaces.



Graphic source: City of Philadelphia Green Streets Design Manual

### On-Going/Long Term Actions

- Work with the N2 Innovation District, Green Newton, and others to promote climate resiliency innovation in the existing building stock (e.g. electric vehicle charging stations, tree planting).
- Promote climate resiliency by holding regular events (e.g. neighborhood walks) and displaying interpretive signs that encourage interaction with and knowledge about the natural hydrologic resources and low impact development techniques used to protect them in the Needham Street area.

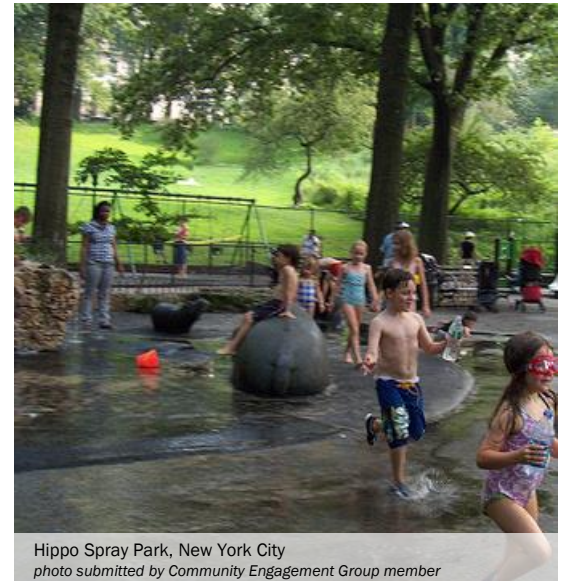
## A Vision for Environmental Health

### Improve health of existing open space and create diversity in new open space

Newton has an opportunity to cultivate a culture of stewardship in the Needham Street area with residents and local businesses. While developing this Vision Plan, the passion of the resident community in the Needham Street area became clear. Past community involvement in creating and maintaining the Greenway was frequently noted. Newton can expand support for volunteer groups that monitor the status of natural resources and participate in maintenance.

The Community Engagement Group also discussed new open space desires. Among the top priorities heard were several ideas about expanding and linking the trails in the area. There was also interest in expanding nature education, potentially with a nature/community center and interpretive signage along the trails. In the context of new development, there was interest in seeing new open spaces be made available with a diversity of activities from plazas to playgrounds, sports fields to quiet lawns.

As the City works with partners to expand and improve open space, the focus of open space design should continue to be on ecological health by replacing invasive species with native plantings, reducing impervious surface coverage, and creating connections between natural areas.



Hippo Spray Park, New York City  
photo submitted by Community Engagement Group member

#### Short Term Actions

- Develop a community action group to monitor open spaces and provide the relevant City offices with information that may be missed by people who do not live in the area.
- Work with the Conservation Commission to ensure that water quality, stormwater storage capacity, and wildlife habitat are maintained along South Meadow Brook.
- Coordinate with MassDOT to add street trees along Needham Street wherever possible. Require trees on private property along Needham Street in any new development.

#### On-Going/Long Term Actions

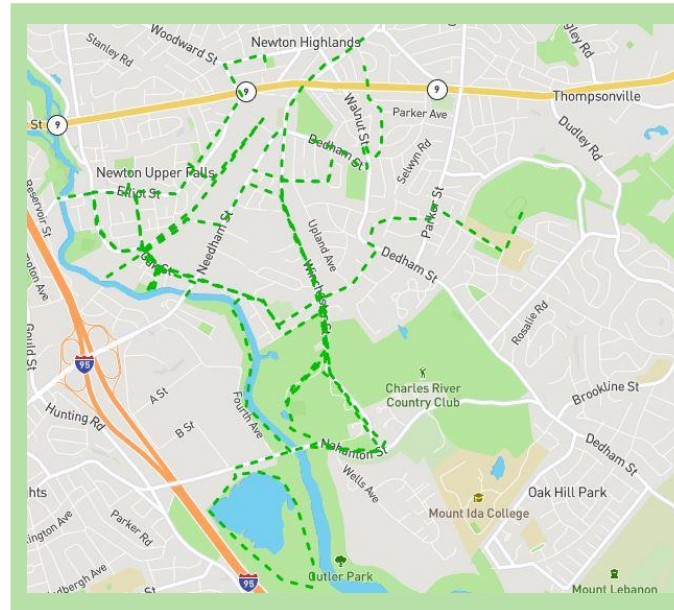
- Encourage stewardship investment (financial and otherwise) in the maintenance and improvement of existing open spaces.
  - e.g. support volunteer clean-up days with residents and businesses to maintain the health of open spaces
- Require new development/redevelopment to incorporate new publicly accessible open spaces in the Needham Street area.
  - Build diverse new public open spaces that encourage outdoor activity, environmental awareness, and community building: e.g. trails, interactive water features, playgrounds, community gardens, plazas, and public art.



## Provide Ready Access

As noted earlier, many of the Community Engagement Group's priority ideas related to trail access. There are numerous disconnected trail segments already in the Needham Street area. Several discrete projects were identified for investment in improved connections not only between existing trails but also to parks, playgrounds, schools, and the Green Line, documented on the next page.

There is interest in seeing routes for walking and biking, as well as for all ages and abilities. Clear signage and directions are essential to promoting safe shared paths, building etiquette and stewardship among trail users. Points where the network of off-road paths intersect and/or overlap with the City sidewalk network are key locations to focus on pedestrian and bicycle safety: improving signs, crosswalks, lighting, etc.



Community Engagement Group members mapped their current routes to recreation, which provided insight into the discussion about new routes and desired destinations – for trails, bike paths, and accessible walking paths in the Needham Street area.

Destinations included: Bobby Braceland Playground, Countryside School, Newton Highlands Playground, Charles River Country Club, the JCC, Newton Community Farm, and Cutler Park in Needham.

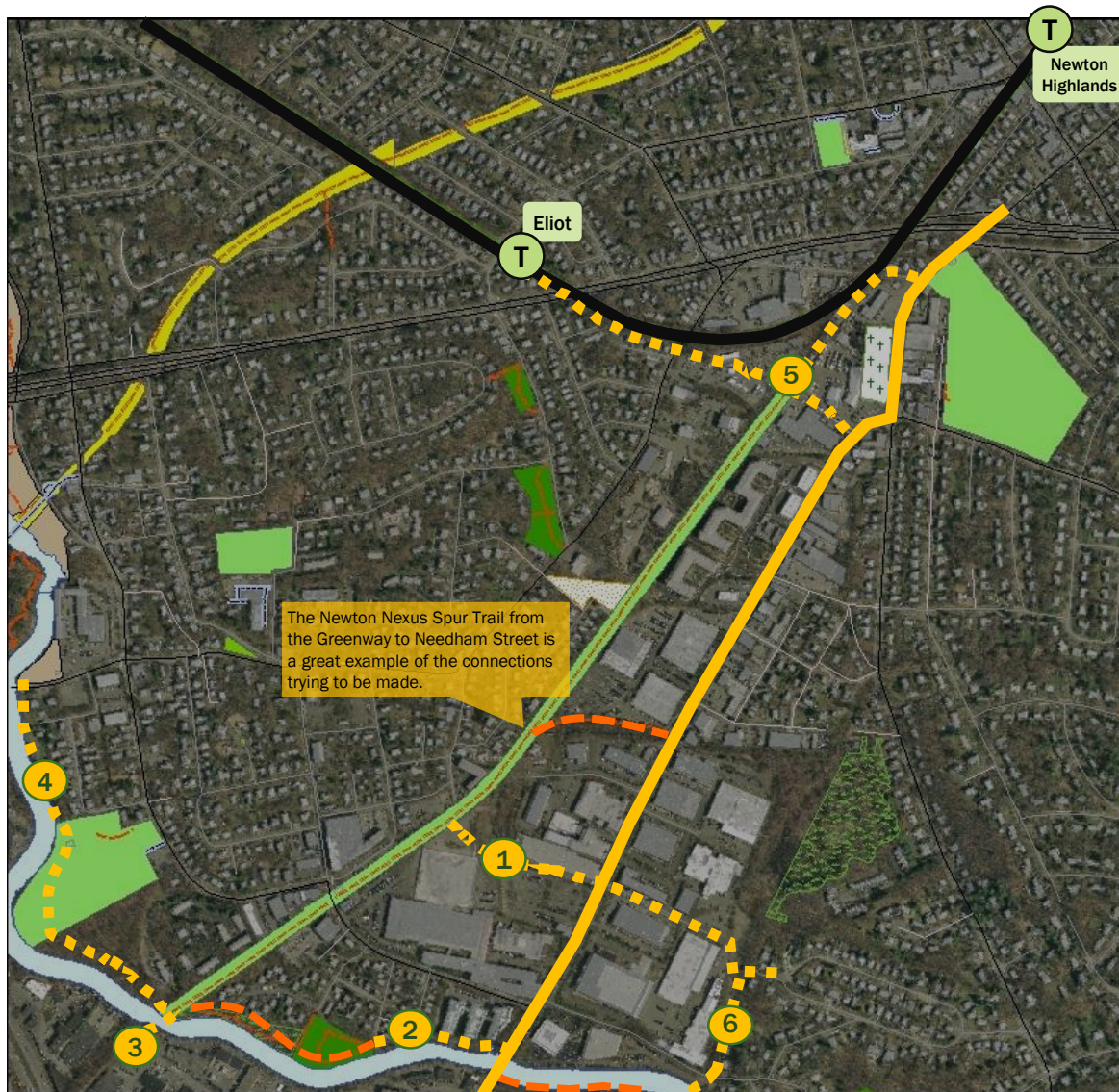
### Short Term Actions

- Increase access to those with disabilities through addition of ADA-compliant trails and amenities.
- Place bike racks, benches, and informational, educational, and/or play features along trails.
- Expand and diversify trails, walking loops, and open space connections on a local level to encourage a variety of trail users.

### On-Going/Long Term Actions

- Construct trail and open space infrastructure that allows increased access to the Charles River.
- Expand trails, walking loops, and open space connections on a regional level (e.g. into Needham, Brookline, Dedham, etc.)

## A Vision for Environmental Health



### Legend

- Aqueduct
- Newton Parks and Rec. land
- Newton Conservation land
- Existing Trails
- Future Connections
- Limit of MassDOT bike & walk improvements
- 1 More connections between Needham Street and the local green/natural spaces, especially the Upper Falls Greenway.
- 2 Connections between Needham Street and the local green/natural spaces, especially the Upper Falls Greenway.
- 3 Connections between Newton's trails/green space and other regional trails in Needham via existing bridges.
- 4 Connections between local trails and other open/green space Newton.
- 5 Connections between Needham Street and the Upper Falls Greenway northward to the MBTA green line and bus services at Newton Highlands and Eliot Street.
- 6 Connections between Needham Street and points east, via the stair-link to the Goddard Street neighborhood and the Christina Street Bridge to existing trails that connect down to Cutler Park.



## The Upper Falls Greenway

Looking back at past plans for the Needham Street area, one of the biggest success stories is the 2016 opening of the Upper Falls Greenway. Countless community volunteers have put their time and energy into making the greenway a reality, supported by the Department of Public Works and the Newton City Council.

Thinking about the future of the Greenway, the key ideas brought forward were: connectivity and activity. A variety of connections were discussed, and an even broader range of activities considered.

Bringing new activity to the Upper Falls Greenway is an early action step that can be taken following the adoption of this plan.

Already in 2018, the City of Newton has sought funding as well as community and regional partners to bring temporary art installations to the greenway edge and to develop a new connection north to Curtis Street. The outcome of these efforts is unknown at the time of writing this plan, but is a testament to the energy surrounding this community asset.



The Upper Falls Greenway has clear markers – interpretive signage could be added about the history of the Greenway and the surrounding area



The ADA-accessible Upper Falls Greenway has many great features along its trail including the Depot Coffee Shop (left side of photo). Once a train depot, this spot is now a neighborhood favorite.



The Greenway, developed from a former industrial rail line, is at the back of properties. Activating the edges with art, building entrances, and public gathering spaces can further add life to the Greenway as has been done in similar settings like the Charles River Greenway, pictured here.



Recently, the Newton Nexus site opened an old railway spur as a new greenway spur, and there is interest in seeing an expanding network of walk/bike routes linking to the Upper Falls Greenway. Potentially even connecting the Greenway across the Charles River into Needham.



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## A Vision for Transportation

**The Needham Street area will have safe and convenient transportation connections in and around the local neighborhoods and to regional destinations.**

**Needham Street will be a walkable retail spine, supported by diverse options for getting to the street – whether by transit, walking, biking, or driving.**



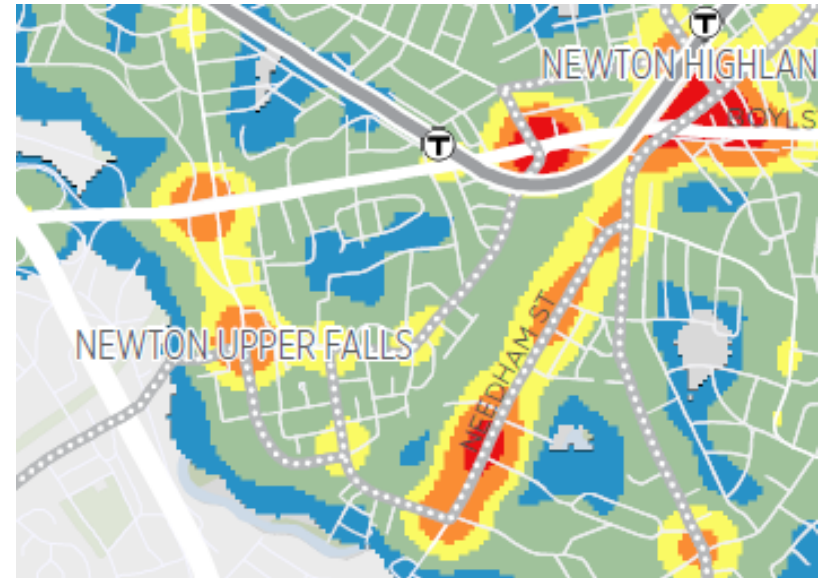
## A Vision for Transportation

### Improve safety and accessibility

The City of Newton is committed to ensuring the safety of all road users. Needham Street stands out as a crash hotspot within Newton. To improve safety, including reducing conflicts and improving infrastructure, the City will need to employ a multipronged approach including design, education, and enforcement.

Although the City of Newton owns most roadways within its borders, the Massachusetts Department of Transportation (MassDOT) owns Needham Street. MassDOT will be rebuilding the roadway beginning in 2019 with the intent of improving safety and encouraging multi-modal transportation. In the surrounding area, the City of Newton continues to work on improving pavement quality, accessible curb ramps, and intersection safety.

During the Community Engagement Group meetings, attendees pointed out that Needham Street is currently unfriendly to walking and biking, and that the design aesthetics of the area could go a long way toward making it a more comfortable and welcoming area to walk and bike. Congestion-related concerns also arose, occasionally, though not always, overlapped with safety concerns.



Map of Crash Hotspots in the Needham Street area  
*The City of Newton owns most roadways. However, Needham Street is owned by the Massachusetts Department of Transportation, and will be rebuilt starting in 2019, after which it will become a City-owned roadway.*

#### Short Term Actions

- Update accessible curb ramps in conjunction with City accelerated road program projects.
  - For example - the Chestnut St and Ellis St intersection is scheduled for repaving and city engineers are developing improvements to the accessible curb ramps and crosswalks at this intersection.
- Work with MassDOT to pursue lighting upgrades along Needham Street.

#### On-Going/Long Term Actions

- Manage driving speeds in neighborhoods to at or below the posted speed limit through roadway design and safety education.
- Update street, sidewalk, and parking lot lighting.
- Incorporate principles of accessible/universal design in street, sidewalk, and parking lot design.

## MassDOT's Needham Street / Highland Ave Reconstruction Project

The Massachusetts Department of Transportation (MassDOT) owns Needham Street for its entire length as well as the portion of Winchester Street up to Route 9.

For the past 20+ years, the City of Newton, Town of Needham, and MassDOT have been coordinating the redesign and reconstruction of Needham Street and Highland Ave between I-95 and Route 9. After decades of work, construction will start in 2019.

The project takes a multi-modal approach to improving the roadway balancing the needs of all users. The project will:

- Improve pedestrian accommodations through continuous sidewalks and new crosswalks
- Add bicycle accommodations, through a 5' wide raised bike lane and shared use paths
- Improve traffic operations and safety through exclusive and two-way turn lanes and protected signal phasing
- Improve transit by adjusting stop locations

Community Engagement Group members were concerned that the project will not include undergrounding the electrical wires and does not include street trees. City staff and community members reviewed these concerns with the MassDOT design team.

Due to the unique complexity of utilities already below the road and sidewalks, there is no space to locate more wires underground in the Needham Street right-of-way. Furthermore the state cannot finance undergrounding onto private property through a transportation project.

The City and MassDOT worked diligently to add as many trees as possible to the right of way, despite limited space due to the utilities. The City continues to explore adding more lighting in conjunction with the MassDOT project.



The project includes new and enhanced pedestrian crossings at several locations, including both sides of the Route 9 intersection (shown above), as well as at two realigned intersections - Oak St/Christina St and Charlemont St.

The City is exploring options to add pedestrian lighting to utility poles along Needham Street



Where there is space for tree roots, the City has pushed for including small trees

## A Vision for Transportation

### Expand and enhance transit connections along Needham Street

Situated between the Newton Highlands Green Line station and the Needham Heights commuter rail station and served by two MBTA bus routes (#52 and #59), the Needham Street area has the potential to be a transit rider's dream. However, the bus service is infrequent and the walk to rail stations is seen as dangerous at worst, and underwhelming at best.

A number of private shuttles also connect employees from office complexes just over the Needham town line to the Newton Highlands Green Line station, but these are not available to the public.

While the City of Newton does not directly provide transit service, there is much that the City can do to promote public transportation in the Needham Street area, particularly along the Needham Street spine. Chief among them is an opportunity to promote shared publicly accessible shuttles with stops along Needham Street in place of the business-specific shuttles.



#### Short Term Actions

- Join the 128 Business Council to have a voice in the organization's decisions about private transit services.
- Coordinate existing and encourage new publicly accessible fixed-route shuttle services along Needham Street to the Green Line.
  - The City of Newton authorizes shuttle routes and stops in city streets. Further station area planning around shuttle pick-up/drop-off may be required as shuttle services expand in the Needham Street area.
- Encourage and/or require use of electric or hybrid shuttles.

#### On-Going/Long Term Actions

- Improve bus stops with bus shelters, benches, real-time information, lighting, etc.
- Institute transit signal priority between the Newton Highlands station and the Needham border to improve reliability of buses and shuttles.
  - Signal priority tracks a bus as it approaches an intersection and then prioritizes green time along the bus route to allow the bus to move through the intersection with less wait.
- Advocate for additional MBTA service.
- Explore transit options along the Greenway connecting Green Line at Newton Highlands to Needham Heights Commuter Rail.



## Convert Needham Street from an isolated to a connected roadway

A connected roadway network increases options and improves walkability. Needham Street scores poorly on two walkability metrics: intersection density and small block sizes (less than 1/4 mile perimeter). Because of its location between the former rail line to the west and wetlands to the east, Needham Street is an isolated road segment, meaning that once you are on Needham Street, you have to travel its entire length to exit back into the neighborhood network. Between Winchester Street and Oak Street / Christina Street there are no public access routes off of Needham Street.

There are opportunities to create new connections and expand the route options. Building off past plans, the City has required public connections between properties' parking lots, creating back-edge parallel routes to Needham Street. Looking ahead, there are locations where additional connections out to the street network could be made, and these rear connections could be formalized into a street network.



Street and pedestrian/bicycle path connection ideas from the Community Engagement Group's small group activity

### Short Term Actions

- Encourage public connections between parking lots and require wayfinding signage to guide drivers to those routes.

### On-Going/Long Term Actions

- Create new driving and non-driving connections off of Needham Street as opportunities present themselves.



Staff created the above set of possible new road location ideas based on principles and ideas discussed during the Community Engagement Group meetings.

## A Vision for Transportation

### Manage transportation demand in new development

Newton does not need to resign itself to a future of ever-increasing traffic jams and parking lots, as part of new development. The City and developers can take proven, proactive steps to provide other options to driving and incentivize their use and reduce vehicle trips.

The City of Seattle, including its suburban neighborhoods that look much like Newton, has a strong commitment to commute trip reductions, and since its policies were implemented in the early 1990s has seen steady traffic levels while also experiencing both commercial and residential growth downtown and in the suburban neighborhoods. Seattle’s intensive transportation demand management programs are credited for allowing growth while preventing traffic increases.

In discussion with the Community Engagement Group there was interest in seeing these traffic prevention techniques – broadly grouped as transportation demand management (TDM) – utilized in any new development. The ideas from the group included, the idea of centralized parking combined with frequent shuttles up and down Needham Street, and in a further future to set congestion pricing for through travelers on Needham Street during rush hour.

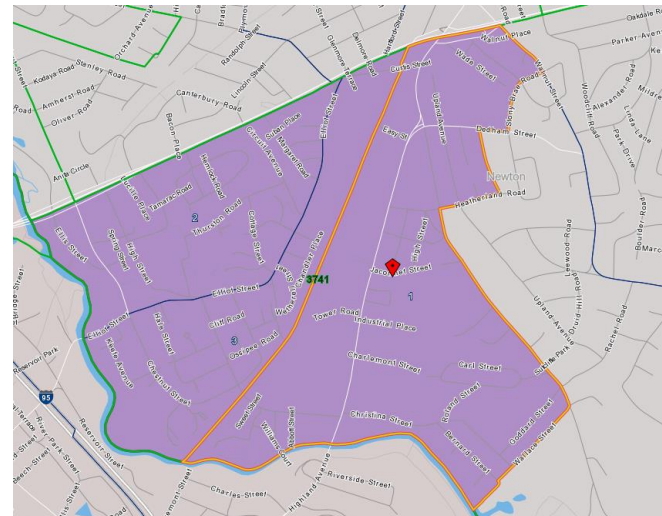
### Tracking Commute Patterns to Guide Policy Decisions

An effective TDM strategy is to target top concentrations of trips and create strong alternative options for those making the same commute – e.g. transit for those commuting out and in from nearby communities and better biking and walking for those commuting in the immediate neighborhood.

The 2015 American Community Survey found that the top commute destinations for residents from the area immediately around Needham Street (outlined in orange) were as follows:

- Just over 10% to Downtown Boston
- Just over 10% within Newton
- Approximately 7% to Cambridge
- Approximately 6% to the Longwood Medical Area

The Needham Street area and Newton Upper Falls (in purple) is actually a top destination for those commuting within Newton.

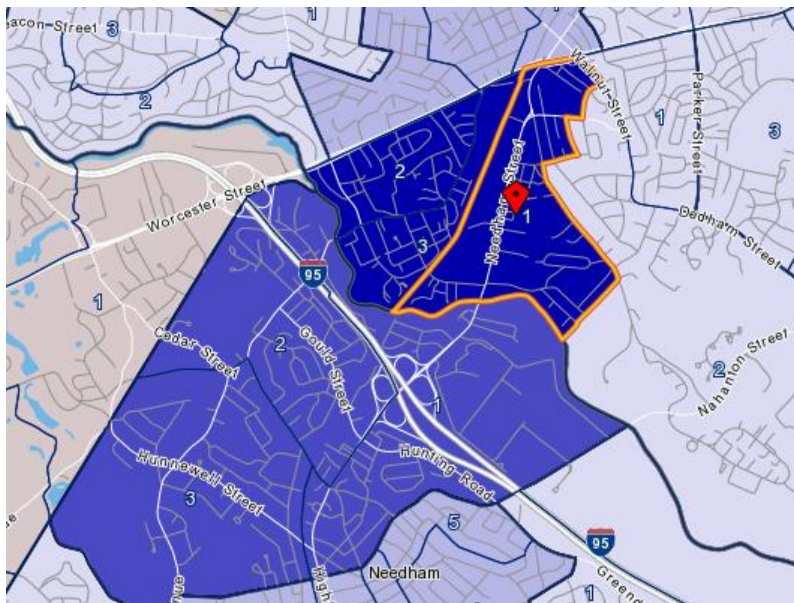




The same survey found that the top residential locations for those commuting in to jobs along Needham Street (area outlined in orange) were as follows:

- 18.8% commuting to Needham Street from Boston
- 8.4% commuting within Newton
- 3% commuting from Needham
- 2.9% commuting from Waltham
- 2.5% commuting from Framingham

Despite the fact that almost 1 in 5 workers commute from Boston, when broken down to the finer grained census tract level, no concentrated pockets of Boston to Needham Street commuters appears. Instead, the pattern that emerges shows that the highest concentrations of those commuting to Needham Street come from the neighborhoods immediately around the Needham Street area.



### Short Term Actions

- Design new development to encourage walking, biking, and transit including supporting a mix of uses.
- Establish standards for transportation demand management in new development (e.g. subsidies for transit, bike storage).

### On-Going/Long Term Actions

- Track commute flows and develop transportation management strategies for top destinations.
- Consider strategies for parking management. Explore options for centralized parking facilities.

## A Vision for Transportation

### Prepare for future tech – shared, electric, autonomous vehicles

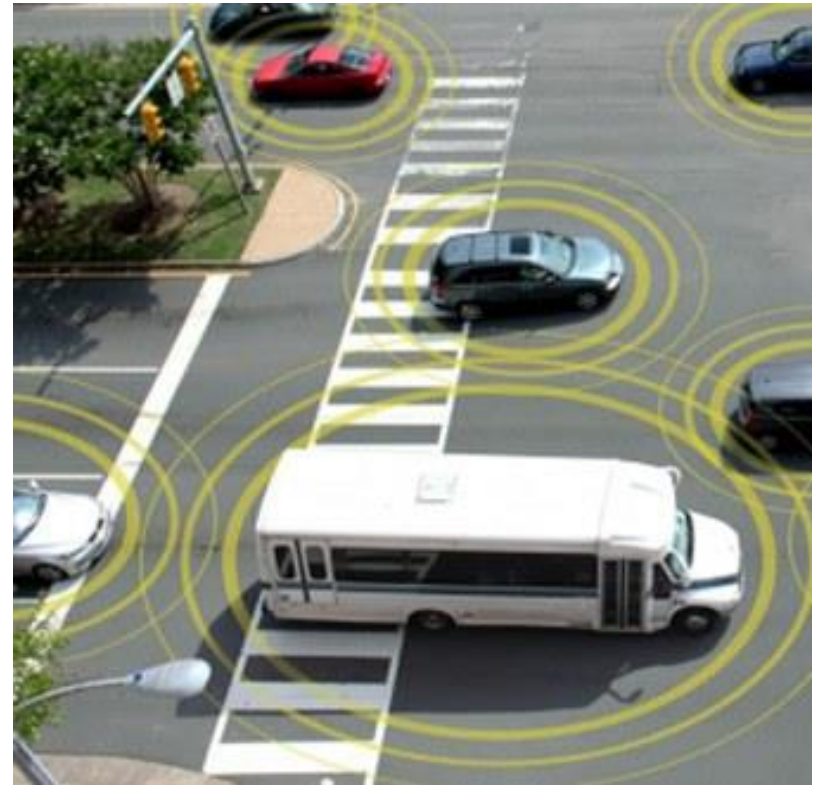
Industry watchers anticipate that autonomous vehicles will be common on public roads within just a few years. The City must stay up-to-date on the rapidly changing transportation technologies and should look to the Needham Street area and the N<sup>2</sup> Innovation District as a place to innovate on how these vehicles can be incorporated into a suburban context.

Industry experts predict that rideshare services like Uber/Lyft will become more common, eventually incorporating driverless and electric technology. This is expected to trigger a reduction in personal car ownership and parking needs. Already, Newton is seeing this change: over 1 million rideshare rides started or ended in Newton last year and electric vehicle ownership is also increasing year over year. Regionally, parking lot owners are seeing dramatic reductions in demand.

Among the challenges to consider are how the curb-side will be managed with respect to pick-ups/drop-offs and short-term parking as well as how to scale electric vehicle and electric bike charging over time.

#### **Short Term Actions**

- Coordinate with existing and emerging shared fleet companies, e.g. Uber/Lyft/Zipcar
- Plan for electric vehicles charging in all new buildings and encourage addition of charging stations in existing parking lots.
- Require new development to assign space for shared vehicles (e.g. Zipcar)



#### **On-Going/Long Term Actions**

- Track autonomous vehicle innovations and management strategies.

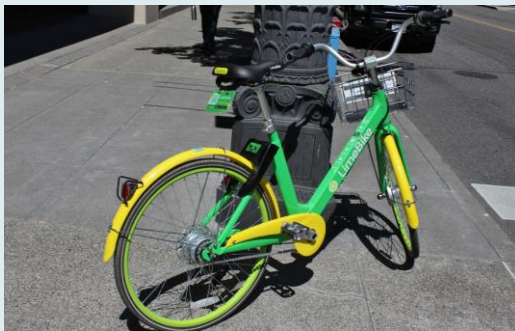
## Big Ideas in Transportation

The Community Engagement Group presented their big ideas for Needham Street's transportation future. Highlighted here are three themes that emerged – all connected to the broader idea of sharing.

### Shared Transportation Services

Several people identified the desire for shared transportation services, among the ideas were:

- Bikeshare – rent a bike for short one-way or round-trip rides (coming in 2018).
- Shared shopping carts – pick up a shared cart at a centralized parking garage, use it throughout your shopping at all stores and return it to the garage after transferring goods into your private car.
- Circulator Shuttle - whether parking or taking the green line, use the circulator to move between destinations along Needham Street.



### Centralized Parking

There was no love for the large open parking lots that currently define Needham Street. The current disjointed parking layouts make it easier to drive than walk from property to property, adding traffic onto Needham Street.

Top of mind was the idea of creating clearly identified centralized parking areas from which you could walk, bike, or take a shuttle to many destinations.

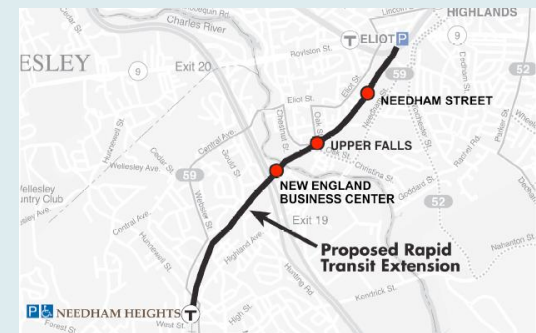
Property owners, businesses, and the City will need to coordinate to create great centralized parking lots or garages.



### Transit on the Greenway

Newton and Needham have for years been discussing the idea of creating a Green Line Branch along the old rail corridor between Needham Heights and Newton Highlands.

Efforts of this magnitude may be decades in the making. For instance, the rail bridge between Newton and Needham would need to be reconnected. In the interim, the City can work with private service providers and the MBTA to strengthen buses first along Needham Street and then possibly along the Greenway itself in order to build momentum toward the future rail investment.







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## A Vision for Land Use

**The Needham Street area will be a vibrant destination with a distinct identity. The area will have a diversity of homes, businesses, and gathering places for community life.**

## A Vision for Land Use

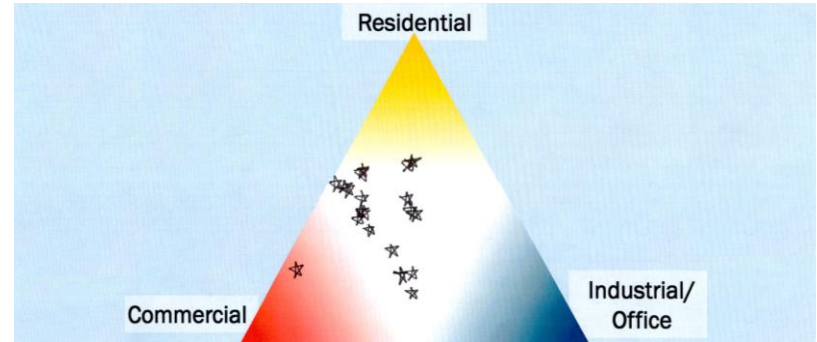
### Support a mix of uses

Each of Newton's villages has a variety of uses that make it unique and give the village life throughout the day – from the early morning coffee shop to the offices open all day to the residences where people return at night.

The uses along Needham Street have evolved from a farming area to an industrial corner then to an office area and shopping destination. There are residential neighborhoods just off of the street, and for a time in the early 20th century, there were plans for it to be a street of single family homes.

The vision looking forward is for Needham Street to be a mixed use place linking the villages of Upper Falls and Newton Highlands – with a mix of residential, commercial, office, entertainment, recreation, manufacturing/production uses reflecting the industrial heritage of the area, meeting the service needs of the adjacent neighborhoods, and providing for the evolving needs of a thriving business center.

In this vision, Needham Street continues to be seen as an economic powerhouse within Newton and a central spine of the N2 Innovation District. While office parks work for some businesses, the majority of office uses now seek out places with housing and dining options within walking distance, and where the streets are lively with pedestrian activity from early morning to evening.



Community Engagement Group members identified the mix of uses that they would like to see along Needham Street between residential, retail/commercial, and office/industrial uses.

#### **Short Term Actions**

- Amend zoning along Needham Street to encourage mixed uses, including housing, community uses, smaller commercial uses, and compatible manufacturing/production uses (e.g. breweries, artisans, R&D lab space, etc.).
- Allow more uses by-right with clear development and design requirements (height, massing, transparency, etc.), along with clear operating standards.

#### **On-Going/Long Term Actions**

- Attract employers and support employees by encouraging housing and transportation options, as well as amenity uses, such as restaurants and entertainment.
- Work with the Newton-Needham Chamber of Commerce and N<sup>2</sup> Innovation District to attract new businesses and economic development assets like co-working to the area.

## Provide diverse housing options

A wider range of housing choices will be necessary to support the range of commercial uses that the community would like to see and the diversity of incomes that they afford employees.

Housing preferences continue to diversify too, as evidenced by the diversity of housing in the inspiration places presented by members of the Community Engagement Group. Some places discussed offered a mix of housing above commercial space, while others showed dedicated high-rise residential, and still others demonstrated dedicated commercial buildings with side-street residential activity.

As development occurs, proposed housing should be reviewed for how it meets the goal of providing diverse options for different lifestyles and price points, supports Newton's commitment to being an all-age friendly community, and is supportive of successful commercial enterprises along Needham Street.

### Short Term Actions

- Encourage a range of housing unit types and sizes to accommodate all ages and those with various incomes.
- Reduce minimum lot area per unit in the zoning ordinance to encourage the production of a range of housing types
- Update inclusionary housing requirements in the zoning ordinance to provide housing for a greater range of incomes.

### On-Going/Long Term Actions

- Improve transit and bicycle access as well as transportation support services to appeal to potential car-free residents.



Pleasant pedestrian streetscapes with human-scaled buildings, minimal front and side setbacks  
*photo submitted by Community Engagement Group member*



Mix of housing above commercial space  
*photo submitted by Community Engagement Group member*



Eco-friendly high-rise residential building  
*photo submitted by Community Engagement Group member*

## A Vision for Land Use

### Increase support for small local businesses within the retail spine

The current zoning for Needham Street includes the Mixed Use-1 District along with a small section of the Mixed Use-2 district. These districts are specific to Needham Street and are not found in other parts of the City.

In discussing uses with the Community Engagement Group, it was clear that there are some mix-matches with current preferences for what the street should accommodate. For instance, a large auto dealership is a by-right use, while a small gift shop would be prohibited along much of Needham Street. There was general consensus that the zoning ordinance should support rather than discourage small businesses along Needham Street.

Additionally, there was support for parking approaches that allow shoppers to park once and walk and encourage shoppers to use non-driving options. On several occasions, centralized parking with shuttles was proposed. Another way to achieve this would be to allow and encourage shared parking. These transportation management solutions, coupled with lowering the parking requirements, could further support smaller properties with smaller businesses in the Needham Street area.



#### Short Term Actions

- Allow small-scale retail by-right.
- Allow shared parking and reduce parking minimums to support retailers in encouraging customers to shop at multiple locations on Needham Street.

#### On-Going/Long Term Actions

- Locate neighborhood-scale retail and service uses on the ground floor of new developments.
- Work with the Newton-Needham Chamber of Commerce and N<sup>2</sup> Innovation District to support business growth in the Needham Street area.



## Create a range of community gathering spaces

Another finding regarding the Mixed Use-1 and Mixed Use-2 zoning districts was that there are a number of typical community gathering and entertainment uses currently prohibited from locating along Needham Street. Libraries, museums, theaters, galleries, and bowling alleys are all prohibited uses in the MU-1 zone.

In both the land use and environmental discussions with the Community Engagement Group there was an interest in seeing more places for fun – be they public or private – such as ice skating rinks, boating on the Charles, bowling, athletic fields, and theaters. The need for more cultural amenities in this part of Newton was also identified by members of the group that felt a dedicated performance venue would be a valuable anchor to the area.

While some community gathering spaces are likely public or non-profit investments – e.g. a nature education center – many community gathering uses can be successful private commercial enterprises like bowling alleys and breweries.



### Short Term Actions

- Amend zoning to allow broader range of civic and cultural uses as well as private entertainment and recreational uses.
- Require publicly accessible open space in new large developments and develop set standards for new public open spaces.

### On-Going/Long Term Actions

- Consider the Needham Street area as a potential site for future public investments in community centers or civic institutions.





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## A Vision for Design

**The Needham Street area will be an inviting place for people of all ages and abilities. The physical environment will be comfortable and healthy. The area's buildings and public spaces will be designed for the human-scale and will promote an active pedestrian environment.**



## A Vision for Design

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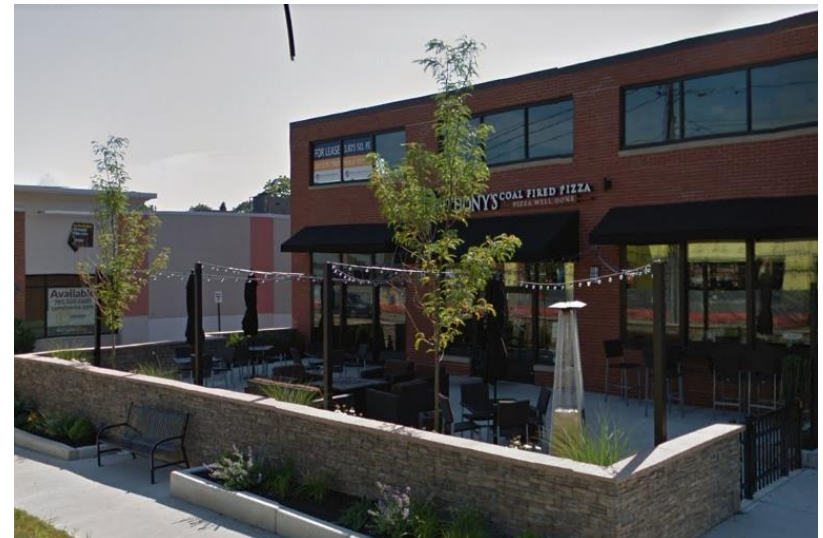
### Utilize design to encourage active community life

Design plays an important role in shaping how people interact with their environment, including the choice to walk or not, to socialize in a public square or not.

The site walk that the Community Engagement Group and staff took demonstrated several key issues regarding how the design of buildings and public spaces in the Needham Street area could be improved to encourage more activity.

When it comes to public ways, Needham Street itself, even with the assumed improvements by MassDOT, was found to be lacking for character and public life amenities, although some of the newer developments, e.g. the seating area outside Anthony's Pizza, were seen as positive improvements.

The lack of attention to walk-up customers became very clear when focusing on the layout, architecture, and window-displays of many existing buildings. In numerous cases, there was no entry available from the street, and the windows facing the street were fully covered. With buildings designed so that it's far easier to arrive by car than on foot, it is little wonder that few shoppers walk between properties when visiting Needham Street today.



Public spaces were discussed in a variety of contexts. There is a major asset at the north and south edges of the Needham Street area in the Highlands Playground, recently refreshed, as well the natural areas along Charles River. There was interest in more public open space offerings – some with active programming and others without. In either case, the need for clearer design standards was noted.



### **Short Term Actions**

- Amend the zoning ordinance to strengthen requirements around active front façades.
  - Frequent entrances along a façade
  - Parking behind buildings
  - Line active public open spaces with active facades to give people a natural reason to utilize the public space
- Establish design standards for newly created or renovated public and privately-owned publicly-accessible open spaces
  - Encourage diverse open space programming – areas for social gathering and play as well as for quiet rest and relaxation.
  - Set “all age friendly” guidelines – e.g. benches with arms for older adults and elements of play for children.
- Establish lighting standards that encourage evening activity.

### **On-Going/Long Term Actions**

- Work with businesses to increase transparency in windows.
- Work with property owners to activate the greenway edge with art installations, transparency into abutting shops, direct entries, public gathering spaces, etc.
- Expand arts installations and programming in public spaces, particularly interactive pieces (e.g. the Artful Pianos program)
- Require new development to underground utilities.
- Work with businesses to clarify wayfinding signage.

## A Vision for Design

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### Incentivize contextual and human-scale building design

In discussing inspiration places with the Community Engagement Group, there was a consistent focus on life at the ground level – sidewalk cafes, active green spaces, and lively plazas.

Turning to best practices in the shaping of public gathering areas and sidewalks, the discussion turned to urban design principles focused on human-scale building design – buildings meant to be experienced walking along the sidewalk rather than driving past at 25 or 45 mph.

Generally, there was positive feedback on establishing zoning standards and design guidelines based in the design principles discussed and lessons learned from inspiration places.

- Preserving historic buildings and highlighting natural features to anchor the area with unique, place-specific features
- Encouraging building design that relates to how people feel comfortable in public space (e.g. setting enclosure standards relating building height to street width, encouraging architectural detail that make buildings interesting to look at)



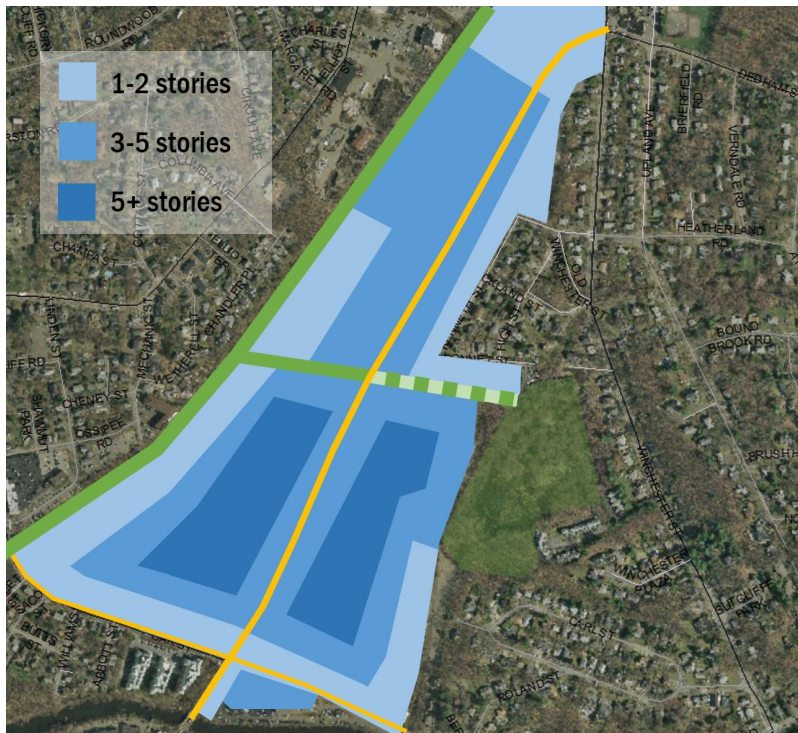
photo submitted by Community Engagement Group member



photo submitted by Community Engagement Group member



While the Engagement Group was not asked to come to consensus on height of new buildings, the preference for limiting height where properties along the Needham Street spine meet the neighborhoods was gleaned from a number of conversations. Within the lots along the Needham Street spine, the focus was generally on creating great streets and public spaces – with height secondary to that achieving that goal. On the next page, staff has developed an initial proposal for height limits based on these two criteria and best practices for human-scale architecture.



Staff created the above height diagram based on design principles and ideas discussed during the Community Engagement Group meetings.



### Short Term Actions

- Develop zoning standards for building massing and articulation with a basis in the immediate context and best practices for vibrant neighborhoods.
- Require new building heights to meet residential heights at neighborhood edges; utilize grade change and upper-story setbacks to reduce visible height of larger buildings
- Encourage deep lots along Needham Street to be divided into smaller blocks to increase walking route options and public space opportunities; set requirements for changes in building facades to break up the massing of a building

### On-Going/Long Term Actions

- Establish standards for and encourage active commercial front yards along Needham Street – e.g. outdoor dining, new tree planting, lighting, etc.

## A Vision for Design

### Endorse high quality architecture and sustainable construction

While most of the goals stated in this vision relate to the quality of spaces experienced by the public, the City of Newton is also interested in seeing any new construction occurring in the Needham Street area be high quality construction. Since this area is a central part of the N<sup>2</sup> Innovation District, innovative techniques are also encouraged.

Newton is particularly interested in seeing any new development along Needham Street utilize leading edge sustainability measures – on-site energy generation, low or even net-zero energy use, low-impact stormwater management, efficient heating and cooling, innovative waste management, etc.

Furthermore, the City of Newton would like to see sustainability innovation become a central part of the N2 Innovation District identity along Needham Street – with new development investing in identity-enhancing public space amenities, wayfinding, and interpretive signage to showcase the innovation taking place in this area.



Example new construction in the Stockholm eco-district of Hammarby Sjöstad integrate sustainable design features throughout, including the green roofs and pocket parks seen here as well as in the hidden stormwater, heating, electrical, and waste managements systems that are integrated throughout the development.

#### Short Term Actions

- Request new development to utilize natural and hardy materials, particularly where users can interact with them (e.g. ground floor facades, fences, and public spaces).
- Encourage identity-enhancing public space amenities (e.g. street-lamps, benches, banners, educational kiosks, etc.) that underscore the innovation and sustainable living themes.

#### On-Going/Long Term Actions

- Work with the N<sup>2</sup> Innovation district to develop and install identity-enhancing wayfinding signs.
- Request new development to incorporate latest sustainable construction methods and make those innovations part of the visible identity of the area.



## Design Principles

Summarized here are the design principles that were discussed with the Community Engagement Group for both development and redevelopment along Needham Street.



Design public open space as an extension of the streetscape and maximize comfort and visual access\*



Design sidewalks with active building fronts to enhance the pedestrian experience\*

PUBLIC REALM



Harmonize relationship between buildings, streets, and open spaces\*



Create a defined and active streetwall, render facades with texture and depth\*

SITE DESIGN



Recognize and enhance unique conditions, historic and natural features



Express a clear organizing architectural idea and harmonize the built form with scale and materials



Modulate buildings vertically and horizontally



Shape the roofs of buildings

BUILT FORM

\*photo submitted by Community Engagement Group member



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## A Vision for Implementation

**The Needham Street Area Vision Plan will inform public and private sector decision-making. The City of Newton will continue to be a leader in coordinating the long-term improvement and success of the area, working in partnership with residents, businesses, and the city as a whole.**



## A Vision for Implementation

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This Vision Plan [has been] adopted as an amendment to the City of Newton Comprehensive Plan because it is a basis for future decision making by the City Council, other decision-making bodies, and the administrative staff. This document itself does not represent adopted policy, but rather the vision for the future from which policy will be developed.

Several of the resulting actions listed in this vision require additional discussion by the City Council before the recommended actions can be put into place. The Planning Department, along with other administrative staff, the Mayor, and the City Council, will take on these tasks in the coming months and years.

In the near-term, the City Council will be able to use this vision to guide decision-making on proposed private sector development projects as well as when considering proposed City of Newton investments. Private sector proponents are encouraged to use the vision plan when preparing their proposals as well, in order to align with this adopted Vision for the Needham Street area.

Additionally, the Planning Department will write the draft zoning ordinance (due to the City Council in October 2018) using both this Vision and the input of those who participated in this process.

Thinking broadly about implementing the vision plan, there are three recommended ideas to keep at the front of mind when putting this vision into practice:

- Use an active management framework
- Make community engagement a cornerstone of action
- Establish equity as an essential consideration

## Use an active management framework

An active management framework allows for and encourages course corrections as circumstances change while remaining true to the core directive of the vision for the Needham Street area. This is essential for any long-range project, where the future cannot always be known.

In the short term, the City would like to continue to build a stronger understanding of fiscal impacts to the City relative to new development/redevelopment and policy decisions. Fiscal impact studies, particularly those related to school enrollment, are valuable tools for guiding investment to ensure there are adequate facilities to support new residents while maintaining current quality of service.

In keeping with the Innovation District identity, the City would also like to create pathways for testing ideas through short-term trials, pilots, and pop-ups. Whether for a new city program in a public space or a new private use, having the flexibility for temporary activities that take an iterative implementation approach, will demonstrate to companies that the City is ready to be a partner in innovation.

Finally, the City plans to update this Vision Plan again in the future. Just as this vision plan looked back to the ideas developed in past plans, this plan should be revisited in approximately 10 years or as otherwise warranted by changing circumstances.

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## Make community engagement a cornerstone of action

Implementing this vision will require that Newton continue its ongoing successful partnerships with businesses and community members.

The City of Newton commits to involving the Community Engagement Group and others who have participated in this process in future community planning processes occurring in the Needham Street area.

Continuing to widen the circle of involved citizens is likewise important for future efforts; and the work involved in bringing more people to the table will likewise require dedication of City staff and resources as well as assistance from those citizens already involved in implementing this Vision.

At several points, this Vision talks of developing a culture of stewardship for the Needham Street area through community events and engagement (e.g. Greenway cleanup, social events in public spaces). Engagement activities like these are self-reinforcing because the more residents engage with the public spaces and community around them, the more likely they are to engage with improving their community's future.

## Establish equity as an essential consideration

Newton has pledged to be an all-age friendly community and a welcoming community. These statements match a tone that Newton sets – to promote equity in all efforts.

There are a number of ways to promote equity in the implementation of this vision, among them:

- Update inclusionary housing requirements in the zoning ordinance to expand the availability of deed-restricted affordable housing.
- Encourage new development to include deed-restricted middle-income housing in addition to housing in the lower affordable housing price range.
- Incorporate universal design and accessibility in all aspects of development.
- Explore ways to support affordable business space for new and established small and family-run businesses.
- Ensure that public spaces are truly open and accessible to all residents, even when privately owned.
- Promote multiple modes of transportation and the physical accessibility of those modes.
- Engage all members of the community and pay special attention to those who have, in the past, been shut-out of decision-making processes.
- Connect low-income residents to job opportunities as those expand in the area over time.

Where opportunities present themselves in new private development projects and with new City investment projects, the equity impacts of decisions should always be considered.

## Summary

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### Overall Vision

The Needham Street area will be a prosperous mixed-use district that emulates many of the positive aspects of Newton's villages. The area will be designed for all ages and connected to transportation options.

The Needham Street area will continue to reflect its industrial history and current commercial strength while adding diverse residential options and modern innovation industries. It will also be supported by a mix of cultural and recreational opportunities.

Future growth will incorporate environmentally sustainable technologies and design.

### A Vision for Environmental Health

The Needham Street area will be designed to facilitate ecological health through restoration of existing open space.

The area will support healthy lifestyles with the creation of diverse, multi-use, natural areas that encourage use and environmental education.

- Increase Climate Resilience
- Promote Low Impact Development to protect wetlands and waterways
- Improve health of existing open space and create diversity in new open space
- Provide Ready Access

### A Vision for Transportation

The Needham Street area will have safe and convenient transportation connections in and around the local neighborhoods and to regional destinations.

Needham Street will be a walkable retail spine, supported by diverse options for getting to the street – whether by transit, walking, biking, or driving.

- Improve safety and accessibility
- Expand and enhance transit connections along Needham Street
- Convert Needham Street from an isolated to a connected roadway
- Manage transportation demand in new development
- Prepare for future tech – shared, electric, autonomous vehicles

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## A Vision for Land Use

The Needham Street area will be a vibrant destination with a distinct identity. The area will have a diversity of homes, businesses, and gathering places for community life.

- Support a mix of uses
- Provide diverse housing options
- Increase support for small local businesses within the retail spine
- Create a range of community gathering spaces

## A Vision for Design

The Needham Street area will be an inviting place for people of all ages and abilities. The physical environment will be comfortable and healthy. The area's buildings and public spaces will be designed for the human-scale and will promote an active pedestrian environment.

- Utilize design to encourage active community life
- Incentivize contextual and human-scale building design
- Endorse high quality architecture and sustainable construction

## A Vision for Implementation

The Needham Street Area Vision Plan will inform public and private sector decision-making. The City of Newton will continue to be a leader in coordinating the long-term improvement and success of the area, working in partnership with residents, businesses, and the city as a whole.

- Use an active management framework
- Make community engagement a cornerstone of action
- Establish equity as an essential consideration



Ruthanne Fuller  
Mayor

**City of Newton, Massachusetts**  
Department of Planning and Development  
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Barney S. Heath  
Director

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**MEMORANDUM**

**DATE:** July 13, 2018

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

**FROM:** Barney S. Heath, Director of Planning and Development  
James Freas, Deputy Director of Planning and Development  
Amanda Berman, Housing Development Planner  
Jennifer Caira, Chief Planner

**RE:** **#187-18** DIRECTOR OF PLANNING requesting amendments to the Inclusionary Housing provisions of Chapter 30, Newton Zoning Ordinance, to increase the required percentage of affordable units; to require that some affordable units be designated for middle income households; to create a new formula for calculating payments in lieu of affordable units; and to clarify and improve the ordinance with other changes as necessary.

**MEETING DATE:** July 16, 2018

**CC:** Ouida Young, Acting City Solicitor  
Planning & Development Board  
City Council

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The availability of a diverse array of affordable housing options is a critical issue for the City of Newton, affecting the City's long-standing value as a welcoming community for people of all backgrounds, preventing City employees from being able to live in the community they serve, and hindering the ability of businesses of all types in the City to compete for employees.

In an effort to design a new Inclusionary Zoning ordinance that would ensure that new housing development in Newton includes units for households of various income levels across the city,

while not restraining development altogether, staff contracted with RKG Associates to determine the financial impact resulting from the proposed changes to the City's existing Inclusionary Zoning ordinance. The Financial Feasibility Analysis developed by RKG (attached) details the approach the consultants used to test the City's proposed ordinance changes, the results of their analysis, and their recommended modifications to the proposed ordinance to reduce the financial impacts of the ordinance on housing development so as to maintain financial feasibility.

To perform the analysis, RKG created a financial feasibility model based on traditional pro forma analysis standards for real estate development. The model focuses on Internal Rate of Return (IRR) calculations to determine financial feasibility. This measure is a standard approach to understanding the potential performance of a real estate investment. ***Boston area development industry minimum standards for a desired IRR are currently 20% for new construction ownership residential and 12% for rental residential projects.*** Generally, projects that do not achieve this IRR are not able to get financing.

Pro forma development modeling requires substantial market data to generate the model assumptions needed to calculate financial performance. The three primary data categories include: construction/development data; revenue/expenditure data; and finance/investment data. RKG used several tools to gather both local and regional data, including interviews with several for-profit and non-profit residential developers and commercial lending bank professionals, the City Assessors database, current rent rates and sales prices throughout Newton, and nationally-recognized secondary data sources, such as Marshall & Swift Valuation Services.

RKG's modeling efforts compared the financial performance of seven distinct residential development scenarios under the City's existing Inclusionary Zoning ordinance against the financial performance of those same scenarios under the proposed IZ ordinance. The results were compared to understand the impact of the proposed ordinance on the financial feasibility of each scenario. The seven development scenarios reflected various small, medium and large-scale ownership and rental development projects that may occur in Newton. The financial model calculated the basic go/no-go decision a developer must make about a potential project, which usually comes down to overall financial return and risk exposure. If there is confidence that the desired returns will be reached, then the project will be pursued, otherwise the project will not be undertaken.

While the full report provides greater detail around the results generated by each of the seven model scenarios, the following is a summary of the key findings from the financial analysis:

- **Project size (number of units in a project) matters.** The addition of an affordable unit or a required payment-in-lieu can have an outsized impact on the overall financial return of a project and can quickly render a project infeasible. Small-scale developers have greater sensitivity to changes in their development program due to their inability to spread the cost of an affordable unit or a payment-in-lieu of a unit across several market-rate units.
- **The proposed IZ percentage requirements for medium size projects (7-20 units) appear to be calibrated correctly.** For projects with 10-20 new units, the proposed percentage requirements result in more affordable units for the City, while returning an acceptable financial outcome to the developer. The increase in affordable unit requirements is offset by the introduction of Tier 3, middle-income units (81%-110% AMI). *(It is important to note, however, that RKG was only asked to test one scenario in the 10-20 new units category: a 20-unit rental project. While the financial return for this scenario under the proposed ordinance comes out positive, the majority of scenarios in this category do not. Staff tested multiple scenarios for this project size category and found that the proposed IZ requirements were too great for most of the projects to be financially acceptable. Had more scenarios been run in this project size category as part of the RKG analysis, it is likely that the consultants would not have come to the same conclusion about the proposed ordinance for this category of projects).*
- **The proposed IZ percentage requirements for large size projects (20+ units) have a negative impact on the overall financial return of a prototypical development and are financially infeasible for the developer.** The key issues for these large size projects are the 25% IZ requirement (10% higher than the existing IZ ordinance) and the introduction of Tier 1 units (at or below 50% AMI).
- **The proposed density bonus of 2 additional market-rate units for every 1 additional inclusionary unit is not sufficient enough to offset the requirement that each additional inclusionary unit be designated at Tier 1 (50% AMI), nor does it help to make these larger projects financially viable.** Even applying a hypothetical three-to-one ratio does not yield a positive result for these projects.

After thorough review and consideration of the Financial Feasibility Analysis developed by RKG, staff reworked its Inclusionary Zoning Ordinance proposal from 2017 to reflect findings from this report. We sought to create an updated ordinance that does not stifle residential development, but rather, strikes a careful balance between the City's vast need for affordable housing and the nuanced economics of housing development. This updated proposal works to realize the greatest public benefit from private residential development occurring throughout Newton.

Also attached to this memo is the December 8, 2017 staff memo to the ZAP Committee for the Public Hearing that took place at the committee’s December 11, 2017 meeting. This memo summarizes staff’s proposed changes to the Inclusionary Zoning Ordinance at that time and includes a clean and red-lined version of the proposed ordinance text.

**Proposed Changes to the 2017 Inclusionary Zoning Proposal:**

**1. Amend the proposed “Number of Inclusionary Units Required” table to reflect the findings from the Financial Feasibility Analysis and staff research**

- Introduce IZ requirement at 7 new units, rather than 4 new units
- Overall, reduce the IZ requirement across all project size categories to better balance the financial feasibility of a project with the desired public benefit
- Create new project size categories between 21 new units and 100 new units to account for surface parking versus underground parking thresholds (per RKG’s Financial Analysis, projects with >35 units tend to see 100% underground parking, which is most often very costly and done in space scarce developments)
- De-couple Rental and Ownership IZ requirements to account for the differing financial impact the ordinance could have on these types of projects
- Continue to utilize a rising IZ percentage requirement to project size given that smaller scale projects have a greater sensitivity to changes in their development program than larger projects, which are able to spread the risk across more units
- Lock in IZ requirement at point of application (Special Permit or Building Permit application, whichever comes first)

**2018 Proposal:**

| Number of Inclusionary Units Required: 2018 Proposal |               |              |                 |              |                 |              |                 |              |                  |              |                |              |
|--|---------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|------------------|--------------|----------------|--------------|
| Tier Level   | 7-9 new units |              | 10-20 new units |              | 21-34 new units |              | 35-64 new units |              | 65-100 new units |              | 101+ new units |              |
|  | Rental        | Owner        | Rental          | Owner        | Rental          | Owner        | Rental          | Owner        | Rental           | Owner        | Rental         | Owner        |
| <b>Tier 1, up to 50% AMI</b>                         | 0.0%          | 0.0%         | 0.0%            | 0.0%         | 5.0%            | 0.0%         | 0.0%            | 0.0%         | 2.5%             | 0.0%         | 2.5%           | 0.0%         |
| <b>Tier 2, 51%-80% AMI</b>                           | 15.0%         | 15.0%        | 17.5%           | 5.0%         | 7.5%            | 10.0%        | 2.5%            | 7.5%         | 10.0%            | 10.0%        | 12.5%          | 12.5%        |
| <b>Tier 3, 81%-110% AMI</b>                          | 0.0%          | 0.0%         | 0.0%            | 10.0%        | 5.0%            | 7.5%         | 15.0%           | 10.0%        | 5.0%             | 7.5%         | 2.5%           | 5.0%         |
| <b>Total</b>   | <b>15.0%</b>  | <b>15.0%</b> | <b>17.5%</b>    | <b>15.0%</b> | <b>17.5%</b>    | <b>17.5%</b> | <b>17.5%</b>    | <b>17.5%</b> | <b>17.5%</b>     | <b>17.5%</b> | <b>17.5%</b>   | <b>17.5%</b> |



**2018 Proposal, Project Size Examples:**

| Number of Inclusionary Units Required: 2018 Proposal Examples |             |          |              |          |              |          |              |          |              |           |               |           |
|---|-------------|----------|--------------|----------|--------------|----------|--------------|----------|--------------|-----------|---------------|-----------|
| Tier Level  | 7 new units |          | 16 new units |          | 24 new units |          | 47 new units |          | 78 new units |           | 225 new units |           |
|   | Rental      | Owner    | Rental       | Owner    | Rental       | Owner    | Rental       | Owner    | Rental       | Owner     | Rental        | Owner     |
| <b>Tier 1, up to 50% AMI</b>                                  | 0           | 0        | 0            | 0        | 1            | 0        | 0            | 0        | 2            | 0         | 6             | 0         |
| <b>Tier 2, 51%-80% AMI</b>                                    | 1           | 1        | 3            | 1        | 2            | 2        | 1            | 4        | 8            | 8         | 28            | 28        |
| <b>Tier 3, 81%-110% AMI</b>                                   | 0           | 0        | 0            | 2        | 1            | 2        | 7            | 5        | 4            | 6         | 6             | 11        |
| <b>Total</b>  | <b>1</b>    | <b>1</b> | <b>3</b>     | <b>2</b> | <b>4</b>     | <b>4</b> | <b>8</b>     | <b>8</b> | <b>14</b>    | <b>14</b> | <b>39</b>     | <b>39</b> |

**2017 Proposal:**

| Number of Inclusionary Units Required: 2017 Proposal |               |              |               |              |                 |              |                 |              |                  |              |                |              |
|--|---------------|--------------|---------------|--------------|-----------------|--------------|-----------------|--------------|------------------|--------------|----------------|--------------|
| Tier Level   | 4-6 new units |              | 7-9 new units |              | 10-20 new units |              | 21-50 new units |              | 51-100 new units |              | 101+ new units |              |
|  | Rental        | Owner        | Rental        | Owner        | Rental          | Owner        | Rental          | Owner        | Rental           | Owner        | Rental         | Owner        |
| <b>Tier 1, up to 50% AMI</b>                         | -             | -            | -             | -            | -               | -            | 5.0%            | -            | 7.5%             | -            | 10.0%          | -            |
| <b>Tier 2, 51%-80% AMI</b>                           | 15.0%         | 15.0%        | 15.0%         | -            | 10.0%           | 10.0%        | 10.0%           | 10.0%        | 10.0%            | 15.0%        | 10.0%          | 15.0%        |
| <b>Tier 3, 81%-110% AMI</b>                          | -             | -            | -             | 15.0%        | 10.0%           | 10.0%        | 10.0%           | 15.0%        | 7.5%             | 10.0%        | 5.0%           | 10.0%        |
| <b>Total</b>   | <b>15.0%</b>  | <b>15.0%</b> | <b>15.0%</b>  | <b>15.0%</b> | <b>20.0%</b>    | <b>20.0%</b> | <b>25.0%</b>    | <b>25.0%</b> | <b>25.0%</b>     | <b>25.0%</b> | <b>25.0%</b>   | <b>25.0%</b> |

**Staff notes:**

As described above, our recommended changes to the 2017 proposed IZ ordinance are in direct response to the findings from RKG’s Financial Feasibility Analysis, as well as staff’s additional testing of the financial model, research and learnings over the past six months. The updated percentage requirements still include three tiers of income eligibility, as well as a tiered structure linking affordability to project size and project type; however, staff’s updated proposal introduces the IZ requirement at a higher “new units” number and reduces the IZ requirement across the board to better balance the financial feasibility of a project with the desired public benefit.

Additionally, the updated proposal further considers the nuances of housing development and more closely accounts for the differing costs and financials associated with different project sizes and types. As detailed in the RKG report, ownership projects require a much higher Internal Rate of Return (20%) than rental projects (12%) and therefore, are more sensitive to the inclusion of affordable units. Because the sales value of an affordable unit is capped at a level that is affordable to a household at 80% of the area median income, a value gap exists between delivering a market-rate unit and an affordable unit. From the developer’s standpoint, the inability to realize full value from an affordable unit, which has a similar cost to that of a market-rate unit, results in a financial loss if the IZ requirement is too great.

While the 2018 proposed “Number of Inclusionary Units Required” table appears to favor ownership projects over rental, the difference in percentage requirements is merely accounting for the differing financial characteristics of these project, and the much higher expected rate of return for ownership developments.

**2. Institute the “Round Up and Build Units” methodology rather than the “Fractional Payments” proposal**

- Where the IZ requirement results in a fraction of a unit greater than or equal to 0.5, require the developer to build one inclusionary unit to capture that fraction (Newton’s current IZ policy)
- Do not require a cash payment for a fractional amount, even if the IZ requirement results in a fraction of a unit less than 0.5

Staff notes:

While the fractional payment methodology proposed by staff in 2017 may result in a project delivering both inclusionary units and a cash payment to the City, many of the scenarios run utilizing RKG’s model result in a financially infeasible project due to the large fractional payment required per the proposed calculation. As discussed in the RKG report, the fractional cash payment is added to the initial cost of the development, which ultimately influences the project’s overall financial return. The fractional cash payment, coupled with the value loss from providing affordable units on site, erodes the developers financial return to the point of not moving forward with a project.

In an effort to put forth an ordinance that carefully balances the need for greater affordable units, while not stifling residential development altogether, staff recommends streamlining the proposal to favor the building of units, rather than the receipt of fractional cash payments. We believe the “round up and build units” methodology will not only provide more certainty for the development community as they consider potential projects, it will ultimately result in the creation of more affordable units throughout Newton.

**3. Allow for cash payments in lieu of providing inclusionary units for projects with 7-9 new units**

- Utilize DHCD’s current Qualified Allocation Plan (QAP) “Total Residential Development Cost Limits” Index,<sup>1</sup> (2018-2019 QAP = \$389,000, the average of the

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<sup>1</sup> From the Commonwealth of Massachusetts Department of Housing and Community Development’s Low Income Housing Tax Credit Program 2018-2019 Qualified Allocation Plan, Appendix C, <https://www.mass.gov/files/documents/2018/04/26/20182019QAP.pdf>

“Small Units” index and “Large Units” index), at a decreasing percentage adjusted for the number of units:

- Ex. 7-unit project: 70% of \$389,000 = \$272,300
  - Ex. 8-unit project: 80% of \$389,000 = \$311,200
  - Ex. 9-unit project: 90% of \$389,000 = \$350,100
- Continue to distribute IZ funds equally to the Newton Housing Authority and the City of Newton’s Planning & Development Department
  - Target the City’s portion of these funds for the creation and preservation of deed-restricted units at or below 50% AMI

Staff notes:

While this updated proposal does away with the fractional payments requirement, it still provides the *option* for a developer to request a cash payment in lieu of building the actual inclusionary units as part of the proposed project. With a preference for the inclusionary units over the cash payments, this new proposal only allows projects with 7-9 new units to choose to make such a payment without receiving permission from the City Council through the Special Permit process. As referenced in RKG’s Financial Analysis, smaller-scale projects are more sensitive to the inclusion of affordable units, and therefore, may benefit from the ability to pay a fee-in-lieu, rather than build the affordable units on site.

By offering the payment-in-lieu option at a decreasing percentage requirement for small projects with 7-9 new units, a concept also utilized by the Town of Watertown, staff believes we are expanding the opportunity for projects of this size to succeed, even with the inclusionary requirement. In addition, the cash payment option offers the City the potential to receive funds for its Inclusionary Zoning Fund, which will be targeted for the creation and preservation of deed-restricted units affordable to households at or below 50% AMI.

Staff continues to recommend utilizing DHCD’s Qualified Allocation Plan (QAP) Index as the basis for these fee-in-lieu payments. These cost limits, published annually, provide a defensible number that is grounded in industry-wide research by a respected third party, the Massachusetts Housing Partnership (MHP). As stated in the QAP, to develop these cost limits, MHP researched the costs of hundreds of rental projects over a four-year timeframe in DHCD’s and MHP’s portfolio, and assessed multiple variables, including the

cost of production versus preservation; family housing versus senior housing or special needs housing; regional variations in cost; and variations based on construction type.<sup>2</sup>

**4. For projects subject to IZ requirements, other than those that fall in the 7-9 new units category, allow for payments-in-lieu through the Special Permit Process, only where the City Council makes specific findings to unusual net benefit to allowing a fee rather than inclusionary units**

- For projects that receive approval from the City Council for a payment-in-lieu, utilize DHCD's QAP index of \$389,000 per unit to calculate the total required payment.
  - Example, 18-unit rental project: 17.5% requirement X 18 units = 3.15; 3.15 X \$389,000 = \$1,225,350 total payment

Staff notes:

As discussed above, while this updated proposal does away with the fractional payments requirement, it still provides the *option* for a developer to request a cash payment in lieu of building the actual inclusionary units as part of the proposed project; however, only projects with 7-9 new units may choose to make such a payment without receiving permission from the City Council through the Special Permit process.

**5. Include a provision where projects consisting of 100% deed-restricted, affordable units (at Tier 1, Tier 2, Tier 3, or any combination thereof) are not required to comply with the proposed Section 5.11.4.B. "Number of Inclusionary Units Required"**

- Such projects would still be subject to all other sections of the proposed ordinance, but would not be required to comply with prescribed percentage requirements per income level, as detailed in the proposed Section 5.11.4.B.
  - Example: 35-unit rental project at 100% Tier 3 (81%-110% AMI) would not be required to provide any units at Tier 1 or Tier 2
  - Example: 75-unit rental project at 85% Tier 3 and 15% Tier 2 would not be required to provide any units at Tier 1

Staff notes:

While the need for affordable housing in Newton exists across all low to middle-income levels, the introduction of such a provision may help to encourage the development community to consider projects that serve Newton's shrinking middle-income population,

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<sup>2</sup> From the Commonwealth of Massachusetts Department of Housing and Community Development's Low Income Housing Tax Credit Program 2018-2019 Qualified Allocation Plan, Appendix C, <https://www.mass.gov/files/documents/2018/04/26/20182019QAP.pdf>

helping to diversify the array of housing options present throughout the City. Such a provision could be particularly beneficial to Newton’s senior population, many of whom fall in this middle-income category. Housing options for this group are particularly constrained as their annual income is too high to qualify for the majority of subsidized housing (reserved for households at or below 80% AMI), but too low to afford the limited supply of senior-friendly apartments and condominiums throughout Newton that are priced at market-rate and above. Additionally, the introduction of greater middle-income units throughout the City could also help to slow the rapid pace of escalating rents at all income levels.

This provision, however, does not simply favor 100% middle-income projects. Any project that includes 100% affordable units, regardless of tier, would not be required to comply with the prescribed percentage requirements of the proposed IZ ordinance. Staff believes that such a provision provides additional incentive for developers to propose and build housing in Newton at a diversity of income levels, a need that exists across the City.

**6. Require that “Elder Housing with Services” projects make a cash payment to the City’s Inclusionary Zoning Fund rather than provide the inclusionary beds on site**

- Utilize 5% of the total number of beds provided in the project as the basis for determining the payment-in-lieu, coupled with DHCD’s Qualified Allocation Plan QAP Index for “Single Room Occupancy / Group Homes / Assisted Living / Small Unit Supportive Housing” of \$259,000 to calculate the total required payment
  - Example, 115-bed assisted living project: 5% requirement X 115 beds = 5.75; 5.75 X \$259,000 = \$1,489,250 total payment
- Continue to distribute IZ funds equally to the Newton Housing Authority and the City of Newton’s Planning & Development Department
- Target the City’s portion of these funds for the creation and preservation of deed-restricted units at or below 50% AMI

Staff notes:

As written, Newton’s existing IZ policy for Elder Housing with Services lacks clarity and guidance for determining the inclusionary requirements for this type of project. However, Newton is not alone in struggling to design an inclusionary policy that successfully considers the complicated nature of the pricing strategy for projects of this type. The “housing” costs are only part of the equation; the real challenge comes in trying to define how the medical costs for a household offered an inclusionary bed would be determined. No clear best practices exist to assist staff in crafting a proposal that works for both the developer and the households eligible for the inclusionary beds.

This proposed change seeks to simplify and clarify the ordinance language, while providing developers and the City with greater certainty around the expectations for an Elder Housing with Services project. By requiring a payment-in-lieu rather than on-site beds, the proposed ordinance carefully balances the need to receive a critical contribution from projects of this type with the ability for the City to fund housing projects that provide a greater level of subsidy for more income-eligible households.

Once again, by utilizing DHCD's QAP Index for these payments, the proposed ordinance provides a defensible number that is grounded in industry-wide research by a respected third party, Massachusetts Housing Partnership.

## **7. Remove the Density Bonus provision from the Inclusionary Zoning ordinance altogether**

### Staff notes:

As specified in the Financial Feasibility Analysis, the Density Bonus provision as proposed in 2017 (two additional market-rate units for every one additional inclusionary unit at 50% AMI) does not provide enough of an incentive to the developer to render the project financially feasible. Due to the deep affordability level of the additional inclusionary unit, the value loss that results is too great for the developer to overcome. Even applying a hypothetical three-to-one ratio does not yield a positive result for these projects.

In its current form, the "Incentives" section of the existing IZ ordinance (1 unit granted for each additional inclusionary unit provided above the number required per the ordinance) is vastly underutilized. While the current "incentive" bonus may be beneficial to a project's financial feasibility, the request for increased density may present more issues than solutions for a proposed project in the development review process.

Given that this incentive is neither successful in its current form, nor financially feasible in its proposed state, staff recommends removing this provision altogether.

### **Attachments:**

- Attachment A: City of Newton Inclusionary Zoning: Financial Feasibility Analysis, March 15, 2018, prepared by RKG Associates, Inc.
- Attachment B: Public Hearing Memo to ZAP, December 8, 2017, including a red-lined version of 2017 proposed IZ Ordinance language and a clean version of 2017 proposed IZ Ordinance language

# City of Newton

## Inclusionary Zoning:

### Financial Feasibility Analysis

March 15, 2018

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**PREPARED FOR:**

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

**PREPARED BY:**

RKG Associates, Inc.

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## EXECUTIVE SUMMARY

### Scope of Work

The scope of this analysis is to determine the financial impact resulting from proposed changes to Newton's existing Inclusionary Zoning (IZ) ordinance. RKG Associates Inc. (RKG) constructed a financial feasibility model to test specific scenarios chosen by the City of Newton and determine the relative impact in relation to the proposed IZ ordinance. The importance of this analysis cannot be understated, as setting the appropriate ordinance is key to ensuring the continuation of housing development for households of various income levels across the city.

### Process

The process undertaken was collaborative and included engaging City staff and housing developers to understand the market dynamics unique to Newton. RKG utilized information gained from market research and interviews to construct an adaptable financial model. The model enables the City to test prototypical developments to understand the financial implications of changing the inclusionary ordinance.

### Summary Findings

The results of the analysis are based upon a financial model driven by assumptions. While exact precision cannot be guaranteed, the model utilizes local-market relevant assumptions to forecast the financial return to a developer and compares the change in financial return between the existing ordinance and the proposed IZ ordinance.

Based on the analysis conducted by RKG, it appears that project size (number of units) matters in relation to the proposed IZ ordinance. The proposed IZ ordinance for small developments, defined as those under six units, seems to have a detrimental impact on the overall project financial feasibility. Most notably, the existing IZ ordinance does not require units or payments in lieu of units for small projects. The addition of an affordable unit has an outsized impact on the overall financial return of the project, as small-scale developers have greater sensitivity to changes in their development program. This increase in sensitivity is due to the inability to spread the cost of an affordable unit (or payment in lieu of a unit) across several market rate units.

For medium sized projects between six and 20 units, the proposed changes to the inclusionary zoning ordinance appear calibrated correctly, as they result in more affordable units for the City and/or cash contributions to the affordable housing fund while returning an acceptable financial outcome to the developer. The ordinance is calibrated correctly because at the proposed 20% commitment of units, the revised income threshold requirements allocate some units be priced for households earning up to 110% of AMI. From the standpoint of building affordable units, the increase in affordable unit requirements is offset by the addition of moderate income household thresholds (110% AMI) in the proposed language.

In large size projects, defined as 20 units and above, the proposed IZ ordinance as designed has a negative impact on the overall financial return in a prototypical development. The key issues within the proposed IZ ordinance is the 25% IZ requirement (10% higher than existing IZ ordinance) as well as the reintroduction of the lowest income tier (50% of AMI) requirement. Without the compensating offset of targeting higher income households, these projects become financially infeasible for the developer compared to the existing ordinance.

The proposed increase in bonus density (two market rate units for every one additional unit committed to affordability) has a positive financial impact on the overall project feasibility, but not at a level great enough to offset the impacts of 25% dedication to affordable units and the high percentage committed at 50% of AMI. Even applying a hypothetical three-to-one ratio still does not yield a positive result for larger projects. The key finding for the bonus density is that as currently structured, it is not sufficient for making these larger projects financially viable.

One possible solution towards improving the bonus density is rather than require all affordable units resulting from utilizing the bonus density to fall within the 50 percent AMI threshold, the units could be allocated across all the AMI thresholds. This spreading of affordable units ultimately helps the development financially because it offsets the units at deeper levels of affordability.

The accompanying analysis of the proposed IZ provides greater context to the summary findings and can help guide the City of Newton to modify elements of the proposal to ensure unintended impacts to the current real estate market do not result.

## INTRODUCTION

The City of Newton has undertaken a substantial effort in refining its existing IZ ordinance to better preserve its economically diverse population. This effort was borne through the City's Housing Strategy process, which identified the potential to strengthen the City's existing IZ ordinance to realize the greatest public benefit from private development occurring in the City. In a memorandum dated December 8, 2017, the City's Planning and Development Department outlined a detailed proposal on modifying the Inclusionary Zoning ordinance.

| Table 1. Existing IZ Ordinance                            |           |       |
|---|-----------|-------|
| Tier Level  | 6+ Units* |       |
|   | Rental    | Owner |
| Tier 1, Up to 50% AMI                                     | 7.5%      | -     |
| Tier 2, 51% - 80% AMI                                     | 7.5%      | 15.0% |
| Total   | 15.0%     | 15.0% |
| Source: City of Newton and RKG Associates Inc., 2018      |           |       |
| *Ordinance has been interpreted to start at six new units |           |       |

Among the recommendations included in the memorandum, the four most prominent include [1] requiring inclusionary units for projects of 4 units or larger; [2] offering a payment in lieu of delivering units for fractional requirements; [3] modifying the minimum percentage of units to be income controlled based on the size of the project, and [4] adjusting the income thresholds to be served by the IZ ordinance. The following tables reveal the existing IZ requirements (Table 1) and the proposed IZ requirements (Table 2 and 3).

| Table 2 Proposed IZ Ordinance for Rental Developments |                         |                         |                          |       |
|---|-------------------------|-------------------------|--------------------------|-------|
| Renter Units  | Tier 1<br>Up to 50% AMI | Tier 2<br>51% - 80% AMI | Tier 3<br>81% - 110% AMI | Total |
| 4-6 new units   | -                       | 15.0%                   | -                        | 15.0% |
| 7-9 new units   | -                       | 15.0%                   | -                        | 15.0% |
| 10-20 new units                                       | -                       | 10.0%                   | 10.0%                    | 20.0% |
| 21-50 new units                                       | 5.0%                    | 10.0%                   | 10.0%                    | 25.0% |
| 51-100 new units                                      | 7.5%                    | 10.0%                   | 7.5%                     | 25.0% |
| 101+ new units  | 10.0%                   | 10.0%                   | 5.0%                     | 25.0% |
| Source: City of Newton and RKG Associates Inc., 2018  |                         |                         |                          |       |

| <b>Ownership Units</b> | <b>Tier 1<br/>Up to 50% AMI</b> | <b>Tier 2<br/>51% - 80% AMI</b> | <b>Tier 3<br/>81% - 110% AMI</b> | <b>Total</b> |
|------------------------|---------------------------------|---------------------------------|----------------------------------|--------------|
| 4-6 new units          | -                               | 15.0%                           | -                                | 15.0%        |
| 7-9 new units          | -                               | -                               | 15.0%                            | 15.0%        |
| 10-20 new units        | -                               | 10.0%                           | 10.0%                            | 20.0%        |
| 21-50 new units        | -                               | 10.0%                           | 15.0%                            | 25.0%        |
| 51-100 new units       | -                               | 15.0%                           | 10.0%                            | 25.0%        |
| 101+ new units         | -                               | 15.0%                           | 10.0%                            | 25.0%        |

Source: City of Newton and RKG Associates Inc., 2018

As stated by the City's staff, Newton is not alone in considering an adjustment to its IZ ordinance. In the past few years, Boston (2015), Cambridge (2017), and Somerville (2017) have all amended their inclusionary housing provisions to balance the growing need for affordable housing units in a rapidly appreciating and high-demand housing market. Cambridge increased its requirement from 11-13% to 20%; Somerville from 12.5-17.5% to 17.5% for smaller projects and 20% for larger projects; and Boston increased its payment-in-lieu requirements, and its requirement for off-site units from 15% to 18%. Wellesley's requirement has been at 20% since 2004.

RKG was retained by the City to respond to questions from the City Council regarding the financial impact of these ordinance changes on residential development. RKG Associates is a multi-disciplinary real estate, planning, and economic development consulting firm with more than 35 years of experience advising public-sector and private-sector clients on real estate development and financial feasibility. RKG provided similar advisory services to the City of Somerville when it was considering changes to the local Inclusionary Zoning ordinance. Moreover, RKG Associates has worked extensively within Newton, including its recent work on the City's Housing Strategy and the feasibility analysis for the 28 Austin Street project.

The following analysis details the approach RKG used to test the proposed IZ ordinance changes, the results of this analysis, and recommended modifications to the proposed IZ ordinance to minimize financial impacts to future residential development. The appendix section includes a glossary of terms used throughout this analysis.

## MODEL

To perform the analysis, RKG Associates created a financial feasibility model based on traditional pro forma analysis standards for real estate development. The model was created in Microsoft Excel to allow for the greatest functional flexibility and analysis transparency.

The RKG Associates model focuses on Internal Rate of Return (IRR) calculations to determine financial feasibility. This measure is a standard approach to understanding the potential performance of a real estate investment. Real estate development is a risk-based venture that requires an investor to guarantee a sum of money in exchange for the potential revenue and value created by that investment. Developers seek to reduce the risk of a project (i.e. development duration and cost overruns) while

maximizing the revenue potential (i.e. rent payments and reversion for a rental project and sales pricing for an ownership project).

IRR calculations are presented as percentages. A higher percent indicates the property will provide a greater return for the investor. IRR is generally compared against an investors desired return rate (or discount rate) to determine if an investment meets the perceived risk level. IRR calculations are much more detailed than overall return calculations, and account for inflation, projected income escalators and the reversion (or sale) of the property at the end of the study period (or hold period). **Boston area development industry minimum standards for a desired IRR currently are 20% for new construction ownership residential and 12% for rental residential projects.**

For analysis purposes, RKG determined the land values under the existing IZ ordinance which would realize the desired financial return under each of the seven scenarios tested and then compared the financial performance of the same projects under the proposed IZ ordinance. The land costs used are not necessarily the market value of land, but rather the value of land which would realize the desired financial return. The methodology was used because ultimately changes in the IZ ordinance would impact the financial returns on projects, and the only way to recover costs from the developer perspective is to pay less for the underlying land. The public benefit that result from inclusionary zoning ultimately comes out of the land cost because other development costs are generally fixed and the developers can negotiate the price of the land.

Not surprisingly, the resulting land values for the selected model developments fell within the expected land value range identified by local developers. These results corroborate that the marketplace has normalized to the existing IZ ordinance. To this point, the analysis provides a realistic assessment of how the proposed changes to the IZ ordinance will impact financial feasibility, and ultimately land values within the City.

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## Data Collection

Pro forma development modeling, particularly IRR approach modeling, requires substantial market data to generate the model assumptions needed to calculate financial performance. There are three primary data categories needed to run a pro forma model, [1] construction/development data, [2] revenue/expenditure data, and [3] finance/investment data.

- Construction and development data include the costs of land, the costs to develop the structures, and the basic assumptions of types of units, size of units, and unit amenities.
- Revenue and expenditure data includes prevailing rent rates (both market rate and income controlled), prevailing sales prices, and operation costs for rental housing. Operation cost data points include direct operations (i.e. maintenance, marketing) and indirect costs (i.e. real estate taxes).

- Financial and investment data include prevailing lending rates, debt/equity requirements, capitalization rates, and discount rates.

RKG used several tools to gather this information, with a preference to gather locally-relevant information specific to the City of Newton. In areas where local data was not available or not appropriate, RKG relied on regional data (i.e. Boston Metro). The primary data collection method was capturing primary and secondary data about the Newton housing market. RKG gathered current rent rates (per month) and sales prices (by unit type) for owner and renter housing within the City to determine potential revenues. RKG gathered sales data from the City to understand current contract pricing.

RKG also interviewed several for-profit and non-profit residential developers, and commercial lending bank professionals to garner greater understanding of the local marketplace. Finally, RKG used nationally-recognized secondary data sources, such as Marshall & Swift Valuation Services, to verify data provided by the local real estate community. The results of this effort were used to create the baseline market assumptions for the financial feasibility model.

The following section provides details on the results of the data collection, and provides the underlying performance metrics used to test the financial impacts of the proposed IZ ordinance on specific development examples.

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## Components of the Model

As mentioned, the model functions on a traditional pro forma analysis platform, measuring the potential revenue of a real estate investment and comparing it to the costs and expenditures to construct, operate, and sell the asset. The modeling efforts compared the financial performance of seven distinct residential development scenarios under the existing IZ ordinance against the financial performance of those same scenarios under the proposed IZ ordinance. The seven development scenarios reflect various small, medium and large-scale ownership and rental development projects that may occur within Newton. The results were compared to understand the impact of the proposed IZ ordinance on the financial feasibility of each scenario. The seven development scenarios include:

- Four-unit ownership development
- Four-unit rental development
- Eight-unit ownership development
- 20-unit rental development
- 35-unit ownership development
- 65-unit rental development
- 180-unit rental development

The model has three primary components that drive the financial performance analysis: development assumptions, financial assumptions, and affordability assumptions. Each component influences the revenue and expenditure efficiencies of the development.



- *Development Assumptions* – The development assumptions focus on the ‘bricks and mortar’ facets of the proposed residential developments. Factors such as total unit count, unit breakout by bedroom count, average unit size by bedroom count, type of parking, cost of land to accommodate the development, and whether the development utilizes the City’s bonus density program. These factors influence construction costs, potential operational revenues (for rental housing) and sale values (for ownership housing).
- *Financial Assumptions* – The financial assumptions include factors relating to debt and equity requirements, the cost of development financing (i.e. mortgage rates), inflation and appreciation rates (for operational costs and revenues), and project return expectations. The financial data directly affects the project’s financial performance by adjusting the timing and amount of capital outlays (both debt and equity).
- *Affordability Assumptions* – The affordability assumptions include the market performance data such as market rent rates, target income thresholds for the IZ units, assumptions about the size of the Inclusionary units, and the percent requirement of IZ units of the total development. These assumptions further impact potential revenue levels as well as overall construction costs.

The following section details the individual assumptions used to run the model, and how those data points were collected. As mentioned, RKG collected primary and secondary data about residential development in Newton. RKG also performed several interviews with local real estate professionals to verify those findings. That said, the model was constructed to enable the City to customize the pro forma analysis through data overrides. This flexibility in modeling allowed RKG to perform sensitivity analyses about the impacts of changes in the proposed IZ ordinance requirements. This effort informed RKG’s findings.

*Income Tiers* – The City’s IZ ordinance is based on creating affordable housing targeted to specific income thresholds. The existing IZ ordinance focuses on 50% of AMI and 80% of AMI (for an average of 65% AMI) for housing affordability. The proposed IZ ordinance adds the 110% of AMI threshold as part of the affordability matrix. Table 4 details the 2017 income thresholds for various household sizes.

| Table 4. FY 2017 Income Limits Summary - Newton, MA |                |          |           |           |           |           |
|---|----------------|----------|-----------|-----------|-----------|-----------|
| Income Level  | Household Size |          |           |           |           |           |
|   | 1-Person       | 2-Person | 3-Person  | 4-Person  | 5-Person  | 6-Person  |
| 50% AMI   | \$36,200       | \$41,400 | \$46,550  | \$51,700  | \$55,850  | \$60,000  |
| 60% AMI   | \$49,680       | \$55,860 | \$62,040  | \$76,020  | \$72,000  | \$76,980  |
| 80% AMI   | \$54,750       | \$62,550 | \$70,350  | \$78,150  | \$84,450  | \$90,700  |
| 100% AMI  | \$72,400       | \$82,800 | \$93,100  | \$103,400 | \$111,700 | \$120,000 |
| 110% AMI  | \$79,640       | \$91,080 | \$102,410 | \$113,740 | \$122,870 | \$132,000 |

Source: City of Newton and RKG, 2018

**Rent Thresholds** – The model calculates potential gross income by applying the market rate threshold to market rate units, and a rent threshold equivalent to 30% of gross income (utilities included) for income controlled units. The market rate rents were calculated through RKG research of current rent levels for apartments within the City built in the past ten years. Table 5 details the thresholds for each income level.

| Unit Type | Household Size (# of BR + 1) | 50% AMI | 80% AMI | 110% AMI | Non-Affordable Market Rate Unit Rent |
|-----------|------------------------------|---------|---------|----------|--------------------------------------|
| 1 BR Unit | 2                            | \$1,035 | \$1,564 | \$2,277  | \$3,166                              |
| 2 BR Unit | 3                            | \$1,164 | \$1,759 | \$2,560  | \$4,005                              |
| 3 BR Unit | 4                            | \$1,293 | \$1,954 | \$2,844  | \$4,832                              |

Source: City of Newton and RKG Associates Inc., 2018

**Sales Price Thresholds** – Like rent thresholds, the sales price thresholds were established by using HUD standards for lending (28% of gross income) with the income thresholds identified in the previous section. As seen in Table 6, purchase income controlled price thresholds are substantially lower than the market rate sales price levels identified by RKG. The market rate data was compiled by averaging recent sales prices of 1, 2, and 3-bedroom ownership units within the City.

| Unit Type | Household Size (# of BR + 1) | 50% AMI   | 80% AMI   | 110% AMI  | Non-Affordable Market Rate Unit Sales Price |
|-----------|------------------------------|-----------|-----------|-----------|---|
| 1 BR Unit | 2                            | \$191,750 | \$220,000 | \$308,750 | \$419,000                                   |
| 2 BR Unit | 3                            | \$217,000 | \$249,000 | \$348,250 | \$637,000                                   |
| 3 BR Unit | 4                            | \$255,000 | \$292,000 | \$400,000 | \$862,000                                   |

Source: City of Newton and RKG Associates Inc., 2018

## DEVELOPMENT REVENUES

### Rents

RKG collected rental rate data for relatively new luxury developments which included efficiency (studio), one-bedroom, two-bedroom, and three-bedroom apartments. The market rental rates were used as a baseline for the analysis, and compared to information obtained from developers. Generally, new units rent for an average of nearly \$3.25 per square foot. Within the model the rents can be modified by the user. For more information about rental rates, see Appendix 1.

### Sales Values

The sales values of housing units were determined through a combination of market research and utilizing the City Assessor database to parse the most recent sales values by bedroom count. The results are used for the baseline assumption in the model. For more information about sales values, see Appendix 1.

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### Other Income

Income streams outside of traditional rent and sales value stem from parking revenues. For rental units, it was assumed in the model that parking revenues of \$150 per space were attainable. No parking revenues are included in ownership units because the parking space is inherently included in the price of the unit.

## DEVELOPMENT COSTS

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### Land Costs

The amount of money a developer can pay for a piece of land is a critical component to the financial feasibility of a project. The higher the land value, the more a developer needs to offset their costs through things like higher density, lower parking rates, or increased sales prices and rents. The price of land is one of the key factors that can affect financial feasibility; and this is especially true for projects on the financial margin. From a cost perspective, the cheaper a developer can obtain the land, the greater the potential financial return. This is because in terms of development, construction and financing costs are relatively fixed. Whereas the price of land and its developable potential can significantly impact the viability of a project.

The price of land in Newton is high, and based on conversations with developers spans a large range based on the underlying zoning and the total number of units which can be developed. An example being that a single-family home can easily sell for \$1 million as a tear-down project which is then replaced with two units each selling for \$1.3 million. This indicates that developable land is in scarcity in and around Newton.

Developers typically calculate the residual value of the land to determine what they would be willing to pay for the land on a per unit basis. This calculation considers construction costs, financing expenditures, and expected returns. The general approach towards determining the land value is to calculate the income expectations for the developed land, subtract all expenses associated with this development, and the remainder is the land residual. The decision to pursue the project depends on whether the developer can acquire the land at a favorable price.

Within the model RKG created a land value override where the model user can input their own land value assumption. This allows the user to test financial feasibility based on the different land costs, since they may vary significantly based on development size and underlying zoning.

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## Construction Costs

To determine construction costs, RKG interviewed several developers and utilized the December 2017 Marshall & Swift Valuation Services booklet to build out customized per square foot construction costs for traditional townhouse, stick, and stick over podium construction. RKG assumed that new construction would have either “excellent” or “good” interior or exterior finishes. Construction costs are adjusted by using a local Boston Metro multiplier supplied by Marshall and Swift. The Marshall and Swift numbers are an industry standard, and aligned to what was generally heard through the developer interviews.

Within the model the appropriate construction cost is applied to the development based on its type and average size. Four-unit developments are assigned townhome construction costs, greater than four units but less than 35 are deemed stick construction, and greater than 35 units are classified as stick over podium construction. RKG assumed for this model that all projects would take one year to complete and construction would begin in 2018. Appendix 1 has more detailed information about construction costs.

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## Parking Costs

Within the model three types of parking costs were included: surface, structured above ground, and underground. The types of parking have dramatically different cost estimates. Surface parking is by far the cheapest option for parking. Typically, this type of parking is done on smaller projects which have sufficient land area to accommodate the parking requirements under zoning. Structured parking occurs in developments that have the land area to build decked parking. While underground parking is by far the most expensive and done in space scarce developments.

The parking calculations are based on the number of parking spaces required for the development scenario based on the total number of residential units. RKG differentiated the parking requirements based on if the project was in a Transit-Oriented Development (TOD) or Non-TOD location. TOD centers around the concept of higher density development taking place around transportation nodes, the type of development envisioned includes residential, commercial, and retail spaces together in single area. Appendix 1 has more detailed information about parking costs.

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## Financing

Development financing is possibly the most important element of any real estate deal. The ability to secure long-term financing at an affordable rate allows a developer to complete their project. Different types of financing are available depending the scale of the project. For very large projects, financing might be obtained from a national bank, institutional investors, or a debt fund. These types of entities invest capital in projects for investors, and typically provide favorable interest rates given the track records of large scale developers.

Smaller scale developers utilize traditional bank financing as the main source of funding. Local banks typically act as partners with smaller scale developers, and provide funding to projects which meet their lending standards and risk profiles. Lending at the small scale is very much relationship based.

Modeling the financing component of development requires assumptions to be made about the equity, loan terms, and interest rates. As part of the data collection process, RKG interviewed several local developers who provided reality-based data regarding project financing.

### EQUITY

The equity investment on the part of the developer which is required to obtain financing is dependent on many factors, some of which include: financial wherewithal, experience, project type, etc. Lenders require developers to contribute funding towards the project. The percentage of equity required is a variable within the model that can have a significant impact on the overall financial return. Typically, if a developer can secure financing which requires a smaller percentage of equity contribution, then the overall project return will be greater because the initial out-of-pocket cost will be less. The benefit to the developer is that they minimize their risk when they do not have to contribute large amounts of equity. For the modeling exercise, the default equity requirement was set at 30% for both owner and rental developments, this value can be changed within the model by the user.

### TERMS

The length of the loan is dependent on the type of project under construction. For for-sale units, the loan is repaid once the units have sold. In this case, the loan period might last for 1 or 2 years depending on the time it takes for a project to be constructed and the units sold. For rental projects, the loan term can be variable. Developers have different exit strategies depending on their investment philosophies; some developers will hold a project for 10 years and then sell it, while others just build and hold the property. For the analysis, the model was calibrated to assume as a default that the loan for a for-sale development would be two years, and that for rental properties the loan term would be 20 years.

### INTEREST RATES

Financial institutions provide funding based on the viability and potential success of a project, and the interest rates charged are evaluated against the developers financial standing and ability to complete the project. A range of interest rates could be charged to a developer depending on their track record, development program, or equity contribution. The higher the interest rate, the greater the overall cost to the developer. Small fluctuations in interest rates can have large impacts on the project financial return because the cost of debt service can substantially increase, thus rendering a project infeasible. Some developers contribute greater amounts of out-of-pocket equity as a means of lowering the interest rate on the loan. The default model assumptions for interest rates were 6.0% for rental developments and 5.5% for ownership developments. The higher interest rate for rental developments was used because the loan term is longer than that of the ownership developments.

## DENSITY BONUS

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### What is a Density Bonus?

A density bonus is a mechanism allowing a developer to build a greater number of units than the existing underlying zoning dictates in exchange for the creation of additional affordable units. This incentive works well in cases where a community is focused on building more affordable units above

and beyond the required number of units. The density bonus provides a developer with an incentive to create units at deeper levels of affordability, in exchange for the ability to build more market rate units.

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### Existing Density Bonus

Under the existing IZ ordinance, a bonus density may be granted equal to one new market rate unit for each by-right market rate unit committed to income restriction. The existing IZ ordinance requires 65% AMI for Rental (average of ½ at 50% AMI and ½ at 80%AMI) and 80% AMI for ownership. The density bonus is limited to where lot area per dwelling unit is decreased by up to 25 percent. While the current density bonus exists in the inclusionary zoning ordinance, its usage has historically been limited. The ‘one for one’ ratio between affordable and market rate units is not enough of a financial incentive to induce developers to utilize the bonus.

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### Proposed Density Bonus

The proposed density bonus expands upon the existing bonus density by providing a greater number of additional market rate units to the developer for each by-right market rate unit committed to income controls. Under the proposed IZ ordinance, a project that includes more than the required number of inclusionary units in the Tier 1 category (50% AMI) is awarded a bonus of two market rate units, with a limitation on the number of bonus units not exceeding 20% of the number of units otherwise permissible on the lot under lot area per dwelling unit requirements.<sup>1</sup>

The key concept of the density bonus is to entice the developer to build affordable units at deeper levels of affordability, while at the same time offering an incentive for the developer to regain lost value from the creation of the affordable units by supplementing with market rate units. Within the model that RKG produced, it is possible to adjust the density bonus to test the implications on the financial feasibility of the project. Density bonus units tend to have greater importance on smaller projects which, from a financial perspective, may not be viable without the addition of market rate units above underlying zoning.

## CASH PAYMENT

As a method to capture the full value of affordable units that do not get built under the inclusionary ordinance, the City proposes to include a cash payment amount for fractional units. The cash payment amount is applied to fractional units which result from applying the appropriate inclusionary percentage across Tier’s One, Two, and Three. The proposed IZ ordinance does not round any of the units, rather it prescribes each full unit be built, and any fractional piece be captured by a cash payment.

Under the proposed IZ ordinance, the cash payment as an alternative to each required inclusionary unit, or fraction thereof, is based on a formula that utilizes the current Massachusetts Department of

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<sup>1</sup> See City of Newton Planning Memo #109-15(2), December 8, 2017

Housing and Community Development Index for “Total Residential Development Cost Limits” for Production Projects within Metro Boston. This index is updated annually through DHCD’s Qualified Action Plan (QAP) and serves as a maximum subsidy amount per unit for affordable housing projects seeking Federal Low-Income Housing Tax Credits (LIHTC) throughout the state. Based on the “Total Residential Development Cost Limits” the value of a unit is set at \$389,000. The determination of fractional units is based on the calculations for each of the three tiers in the proposed IZ ordinance.

Table 7 presents an example case of the calculation of the payment-in-lieu across the affordability tiers for a development that has 48 units.

| Table 7. Example Payment in-Lieu Calculation for 48 Unit Project |                  |                  |                   |
|--|------------------|------------------|-------------------|
|  | Tier 1 (50% AMI) | Tier 2 (80% AMI) | Tier 3 (110% AMI) |
| Inclusionary Percentage  | 5%               | 10%              | 10%               |
| Calculated Units Based on IZ Percentage                          | 2.4              | 4.8              | 4.8               |
| Whole Units  | 2                | 4                | 4                 |
| Fractional Units   | 0.4              | 0.8              | 0.8               |
| Cash Payment Amount on Fractional                                | \$155,600        | \$311,200        | \$311,200         |
| Total Project Units  | 48               |                  |                   |
| Inclusionary Units   | 10               |                  |                   |
| Market Rate Units  | 38               |                  |                   |
| Cash Payment in Lieu   | \$778,000        |                  |                   |

Source: Newton Planning Memo #109-15(2), December 8, 2017

As part of the modeling process, two additional options were explored regarding the value of the cash payment amount for fractional units. The first option was to use the construction hard costs for developing the affordable unit. The construction hard costs can be defined as the cost of construction for the actual unit, which excludes the price of the land. Utilizing this cost method enables the city to match the cost of building the unit with payment amount requested.

The second approach towards determining the payment amount is to utilize the value gap approach. The value gap is the difference between the value of a market rate unit and that of an affordable unit. The value of a rental unit is determined by the net operating income and the capitalization rate; for an ownership unit, it is determined by the sales value of the unit. In the case of affordable units, the amount of rent or sales value is limited to restricted AMI percentages; resulting in the potential value of a unit having a ceiling. The gap in value negatively impacts the overall financials of a developer because the cost of construction and land to build either an affordable or market rate unit are essentially the same. As part of the modeling process, an option was created to utilize the value gap approach in determining the fee amount to charge for fractional units.

Within the model there is an affordable unit and cash payment calculator which determines both the number of affordable units and potential payments in lieu based under either the existing or proposed



IZ ordinance.<sup>2</sup> The model also calculates the dollar value of the payment in lieu of an affordable unit using either: Total Residential Development Cost Limits (\$389,000); construction hard costs, or the value gap approach.

From a financial standpoint, the calculated fee in-lieu payment is added to the initial cost of the development, which ultimately influences the overall financial return. Depending on the project size, a large fee in-lieu could have a detrimental impact. Typically, a small project tends to be more sensitive to greater upfront costs because small dollar amount changes can have an outsized impact as compared to larger projects.

## SCENARIO ANALYSIS

### Scenarios Under Evaluation

To test the model and the underlying development assumptions, RKG ran seven development scenarios. Table 8 presents the model calibration for each of the seven scenarios. The scenarios were chosen by the City to understand the impact of the IZ changes on prototypical developments. One key difference in terms of development costs is that of parking; in scenarios 35 units or larger the assumption was made that underground parking was the default, resulting in an overall higher development cost.

| Scenario | Unit Type | Location | Parking          | Number of Units | AMI %          | Inclusionary Percentage |
|----------|-----------|----------|------------------|-----------------|----------------|-------------------------|
| 1        | Ownership | TOD      | 100% Surface     | 4               | 80/110% AMI    | 15.0%                   |
| 2        | Rental    | TOD      | 100% Surface     | 4               | 50/80/110% AMI | 15.0%                   |
| 3        | Ownership | TOD      | 100% Surface     | 8               | 80/110% AMI    | 15.0%                   |
| 4        | Rental    | TOD      | 100% Surface     | 20              | 50/80/110% AMI | 20.0%                   |
| 5        | Ownership | TOD      | 100% Underground | 35              | 80/110% AMI    | 25.0%                   |
| 6        | Rental    | TOD      | 100% Underground | 65              | 50/80/110% AMI | 25.0%                   |
| 7        | Rental    | TOD      | 100% Underground | 180             | 50/80/110% AMI | 25.0%                   |

Source: City of Newton, and RKG Associates Inc.

The financial analysis conducted by RKG provides key insights regarding the relative impact on development finance resulting from changes in the inclusionary ordinance. RKG modeled each of the seven scenarios by calibrating the model with realistic assumptions. As part of the analysis, RKG modeled financial feasibility under the existing IZ ordinance, as well as under two proposed IZ methods. Under Method One, the conditions for inclusionary housing include the rounding up of fractional units greater than 0.50, and having no fee-in-lieu. Under Method Two, the conditions for inclusionary housing are to build whole units, and charge a fee-in-lieu for any fractional unit. For all

<sup>2</sup> Based calculations of fee-in-lieu on the existing Inclusionary Zoning ordinance and proposed inclusionary zoning ordinance.

scenarios under analysis, RKG used the fee-in-lieu amount of \$389,000, which is part of the proposed IZ ordinance, to calculate the payments on fractional units. The data tables for each of the scenarios show the differences between the existing IZ ordinance and both the proposed IZ ordinance methods.

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## Interpreting Results

The financial model calculates the basic go/ no-go decision a developer must make about a potential project. The decision to pursue a project comes down to overall financial return and risk exposure. If there is confidence that the desired returns will be reached, then the project will be pursued, otherwise the project will not be undertaken.

From a financial perspective, the model calculates outputs that can be helpful when determining whether a developer or a lender will choose to go forward with a project. Of these outputs, both the Internal Rate of Return (IRR) and Net Present Value (NPV) are industry standard financial viability metrics for a given project. While these are important metrics, they are not the sole arbitrators of financial viability, as project risk assessment and developer track record are also important factors. The IRR and NPV when examined together, offer significant insight to both a lender and developer. The IRR is the calculated annual return on investment, taking into consideration net operating income, investment holding period, and sales value. The NPV is the present value of all future cash flows (both revenues and expenditures) for the project based on an expected return rate (discount rate) and over the course of the determined holding period. Based on the size of the initial upfront capital investment in a project, small percentage changes in the IRR can have dramatic effects on the net present value. The decision factor for not pursuing a project is if the IRR does not meet the required rate of return, or if the NPV is below zero. It is possible that a project results in a positive NPV and a lower than desired IRR. In cases such as this, the decision process becomes more nuanced as the developer would have to get comfortable with realizing a lower return. Within the development industry, the standard IRR return for a new construction rental project is 12 percent and 20 percent for new construction ownership units.

As noted earlier, from a development finance standpoint the unknown in a real estate deal is the cost of land. To conduct the comparative analysis, for each of the individual seven scenarios under the existing inclusionary policy the cost of the land was calculated to make the project financially viable and meet the developer's return expectation. This cost of land was then used for each of the two proposed IZ scenarios to understand how the changes in the ordinance impact the overall development return. It should be noted that the calculated land values for each scenario fall within the range of value local developers reported to pay for similar properties, corroborating that land values are normalized to the existing IZ ordinance.

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## Analysis Limitations

The undertaken analysis is not without limitations. The financial model is based upon assumptions which were collected through developer interviews, market research, and professional judgement. These assumptions are the main drivers of the financial model. The developments that are modeled in this analysis are prototypical developments that could potentially be found in Newton, and not actual developments. While all the assumptions that drive the model can be customizable, RKG

calibrated the model such that the base assumptions are the default. There are countless permutations that can be modeled, but RKG in consultation with the City, chose to model prototypical developments with relatively standardized inputs.

The model is not able to test every variable or possibility, rather it can be used as a ordinance tool to help inform the decision-making process. The model output helps show the relative impact of ordinance changes on development financial feasibility.

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### Four-Unit Ownership Development

The four-unit ownership development scenario offers a baseline assessment of how the proposed IZ ordinance impacts the existing development landscape. Under the existing IZ ordinance, inclusionary zoning does not get triggered until six units (the ordinance calls for inclusionary units once there are four net new units above the number of units allowed by-right (two units are allowed by-right)). In the case of the four-unit ownership development under the existing IZ ordinance, no inclusionary units are required. The existing IZ ordinance results were calibrated to determine the land value which would result in a 20% return to the developer. The land values used for this scenario were \$189,936 per unit, and this value was held constant for each of the proposed scenarios to understand the relative changes inclusionary units and payments-in-lieu would have on financial returns. Table 9 below provides detailed information about each model run for the scenario.

Under Method One, three market rate units and one affordable unit at 80% AMI would be required. As seen in the table, the impact to the developer of having to provide the affordable unit is significant and results in a negative NPV of \$316,882. A negative NPV occurs because the financial investment needed to undertake the project is greater than the cash flow generated; this outcome illustrates the investment does not make financial sense from the prospective of the developer. The reason the NPV is negative under Method One is because of the value gap between delivering a market rate unit versus an affordable unit. The value gap is due to the sales value of an affordable unit being capped at a level which is affordable to an 80% AMI household. From the developer's standpoint, the inability to realize full value from the affordable unit, which has a similar cost to that of a market unit, results in a financial loss. Under Method One, the IRR is negative 30.5 percent, which is well below the standard return of 20 percent on ownership developments.

Method Two results in a negative NPV of \$233,415 and a negative IRR of 8.4 percent, indicating the project is not financially viable. Under this scenario, four market rate units would be built, and a fee-in-lieu of \$233,400 would be paid to the City for the fractional unit. In this instance, the fee-in-lieu payment results in the project becoming infeasible; this is the only difference between the existing IZ ordinance and Method Two. Compared to Method One, the return to the developer while negative, is better under Method Two because the fee-in-lieu amount is less than the value gap loss under Method One.

Based on the calibrations of the model and development scenario, both Method One and Two result in the project becoming uneconomic as compared to the financial results under the existing IZ ordinance.

| <b>Table 9. Four-Unit Ownership Development</b> |                       |  |  |                           |                           |
|---|-----------------------|--|--|---------------------------|---------------------------|
|   | Existing IZ Ordinance | Method One: Proposed IZ Ordinance (Round and Build Unit) | Method Two: Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
| Location  | TOD                   | TOD  | TOD  |                           |                           |
| Unit Type                                       | Owner                 | Owner  | Owner  |                           |                           |
| Number of Units                                 | 4                     | 4  | 4  |                           |                           |
| Parking   | Surface               | Surface  | Surface  |                           |                           |
| Special Permit                                  | Yes                   | Yes  | Yes  |                           |                           |
| Inclusionary %                                  | 15%                   | 15%  | 15%  |                           |                           |
| Inclusionary Treatment                          | Build Affordable Unit | Round and Build Units                                    | Build Units and Pay Fractional                                 |                           |                           |
| Inclusionary Units                              | 0                     | 1  | 0  | 1                         | 0                         |
| Payment in Lieu                                 | \$0                   | \$0  | \$233,400  | \$0                       | \$233,400                 |
| AMI Split                                       | 80% AMI               | 80% AMI  | 80% AMI  |                           |                           |
| All Costs                                       | \$2,455,107           | \$2,455,107  | \$2,455,107  |                           |                           |
| Land Cost                                       | \$759,743             | \$759,743  | \$759,743  |                           |                           |
| Land Cost Per Unit                              | \$189,936             | \$189,936  | \$189,936  |                           |                           |
| Average Cost Per Unit (Inclusive of Land)       | \$613,777             | \$613,777  | \$613,777  |                           |                           |
| <b>IRR</b>                                      | <b>20.0%</b>          | <b>-30.5%</b>  | <b>-8.4%</b>   | <b>-50.4%</b>             | <b>-28.4%</b>             |
| <b>NPV</b>                                      | <b>(\$15)</b>         | <b>(\$316,882)</b>                                       | <b>(\$233,415)</b>   | <b>(\$316,867)</b>        | <b>(\$233,400)</b>        |

## Four-Unit Rental Development

The four-unit rental development scenario offers a baseline assessment of how the proposed IZ ordinance impacts the existing development landscape. Under the existing IZ ordinance, the affordable units average 65% AMI, based on ½ the units being delivered for households earning 50% AMI and ½ the units at 80% AMI. The existing ordinance does not get triggered until six units (the ordinance calls for inclusionary units once there are four net new units above the number of units allowed by-right (two units are allowed by-right)). So, in the case of the four-unit rental development under the existing IZ, no inclusionary units are required. The existing inclusionary ordinance results were calibrated to determine the land value which would result in a 12% return to the developer. The land values used for this scenario were \$210,260 per unit, and this value was held constant for each of the proposed scenarios to understand the relative changes inclusionary units and payments-in-lieu would have on financial returns. Table 10 provides detailed information about each model run for the scenario.

Under Method One three market rate units and one affordable unit at 80% AMI would be required. As seen in the table, the impact to the developer of having to provide the affordable unit is significant and results in a negative NPV of \$154,826. The reason the NPV is negative under Method One is because of the value gap between delivering a market rate unit versus an affordable unit. From the developer's standpoint, the inability to realize full value from the affordable unit, which has a similar cost to that of a market unit, results in a financial loss. Under Method One, the IRR is 9.5 percent, which is well below the standard return of 12 percent on new rental developments.

Method Two results in a negative NPV of \$231,702 and an IRR of 9.0 percent, indicating the project is not financially viable. Under this scenario, four market rate units would be built, and a fee-in-lieu of \$233,400 would be paid to the City for the fractional unit. In this instance, the fee-in-lieu payment results in the project becoming infeasible. Compared to Method One, the return to the developer under Method Two is worse because the fee-in-lieu amount is a greater than the value gap loss from providing the affordable unit under Method One.

Based on the calibrations of the model and development scenario, both Method One and Two result in the project being uneconomic as compared to the financial results under the existing IZ ordinance.

| <b>Table 10. Four-Unit Rental Development</b> |                       |   |   |                           |                           |
|---|-----------------------|---|---|---------------------------|---------------------------|
|   | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance (Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
| Location                                      | TOD                   | TOD   | TOD   |                           |                           |
| Unit Type                                     | Rental                | Rental  | Rental  |                           |                           |
| Number of Units                               | 4                     | 4   | 4   |                           |                           |
| Parking                                       | Surface               | Surface   | Surface   |                           |                           |
| Special Permit                                | Yes                   | Yes   | Yes   |                           |                           |
| Inclusionary %                                | 15%                   | 15%   | 15%   |                           |                           |
| Inclusionary Treatment                        | Build Affordable Unit | Round and Build Units                                       | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                            | 0                     | 1   | 0   | 1                         | 0                         |
| Payment in Lieu                               | \$0                   | \$0   | \$233,400   | \$0                       | \$233,400                 |
| AMI Split                                     | 65% AMI               | 80% AMI   | 80% AMI   |                           |                           |
| All Costs                                     | \$1,887,797           | \$1,849,454   | \$1,887,797   |                           |                           |
| Land Cost                                     | \$841,040             | \$841,040   | \$841,040   |                           |                           |
| Land Cost Per Unit                            | \$210,260             | \$210,260   | \$210,260   |                           |                           |
| Average Cost Per Unit (Inclusive of Land)     | \$471,949             | \$462,364   | \$471,949   |                           |                           |
| <b>IRR</b>                                    | <b>12.0%</b>          | <b>9.5%</b>   | <b>9.0%</b>   | <b>-2.6%</b>              | <b>-3.0%</b>              |
| <b>NPV</b>                                    | <b>\$1,698</b>        | <b>(\$154,826)</b>  | <b>(\$231,702)</b>  | <b>(\$156,524)</b>        | <b>(\$233,400)</b>        |

### Eight-Unit Ownership Development

The eight-unit ownership development under the existing IZ ordinance results in one affordable unit built at 80% AMI and seven market rate units. Using the residual land value calculation, the land value per unit which would result in a 20% return would be \$294,688. Since this is a hypothetical development with a financial return set to 20%, the land value per unit tends to be much higher than what would normally sell in the market. If the developer could obtain the land at a lower cost ultimately their return on investment would be much higher, but for the sake of the modeling exercise we are assuming a conservative rate of return.

Under Method One, the developer would build seven market rate units and one affordable unit at 110% AMI. The NPV of the project would be a positive \$81,530 and the IRR would be 26.7 percent. The financial return is greater than the industry standard return of 20 percent because of the inclusion of the additional value generated by the 110% AMI unit over the 80% AMI unit that would have been built under the existing IZ ordinance.

Under Method Two, seven market rate units, one affordable unit at 110% AMI, and a fee-in-lieu of \$77,800 would be paid to the City for the fractional unit. The NPV of the project is a positive \$3,730 and the IRR is 20.3 percent. While overall financially positive, the fee-in-lieu decreases the financial return as compared to Method One.

Based on the calibrations of the model and development scenario, both Method One and Two result in a better financial outcome for the developer when compared to the existing IZ ordinance. Under the proposed IZ ordinance, the requirement to build a 110% AMI unit versus an 80% AMI unit which helps the developer financially.



**Table 11. Eight-Unit Ownership Development**

|   | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance<br>(Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
|---|-----------------------|--|---|---------------------------|---------------------------|
| Location                                  | TOD                   | TOD  | TOD   |                           |                           |
| Unit Type                                 | Owner                 | Owner  | Owner   |                           |                           |
| Number of Units                           | 8                     | 8  | 8   |                           |                           |
| Parking                                   | Surface               | Surface  | Surface   |                           |                           |
| Special Permit                            | Yes                   | Yes  | Yes   |                           |                           |
| Inclusionary %                            | 15%                   | 15%  | 15%   |                           |                           |
| Inclusionary Treatment                    | Build Affordable Unit | Round and Build Units  | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                        | 1                     | 1  | 1   | 0                         | 0                         |
| Payment in Lieu                           | \$0                   | \$0  | \$77,800  | \$0                       | \$77,800                  |
| AMI Split                                 | 80% AMI               | 110% AMI   | 110% AMI  |                           |                           |
| All Costs                                 | \$4,765,353           | \$4,765,353  | \$4,765,353   |                           |                           |
| Land Cost                                 | \$2,357,507           | \$2,357,507  | \$2,357,507   |                           |                           |
| Land Cost Per Unit                        | \$294,688             | \$294,688  | \$294,688   |                           |                           |
| Average Cost Per Unit (Inclusive of Land) | \$595,669             | \$595,669  | \$595,669   |                           |                           |
| <b>IRR</b>                                | <b>20.0%</b>          | <b>26.7%</b>   | <b>20.3%</b>  | <b>6.6%</b>               | <b>0.3%</b>               |
| <b>NPV</b>                                | <b>\$476</b>          | <b>\$81,530</b>  | <b>\$3,730</b>  | <b>\$81,054</b>           | <b>\$3,254</b>            |

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## 20-Unit Rental Development

The 20-unit rental development under the existing IZ ordinance results in three affordable units built at an average of 65% AMI and 17 market rate units. Using the residual land value calculation, the land value per unit which would result in a 12% return would be \$192,567 and this value was held constant for each of the proposed scenarios to understand the changes in inclusionary units and payments-in-lieu have on financial returns. Table 12 below provides detailed information about each model run for the scenario.

Under Method One, the developer would build 16 market rate units and four affordable units (two at 80% AMI, and two at 110% AMI). The NPV of the project would be a positive \$54,251 and the IRR would be 12.2 percent. The financial return is greater than the industry standard return of 12 percent because of the inclusion of the additional value generated by the 80% and 110% AMI units over the 65% AMI units that would have been built under the existing IZ ordinance.

The analysis conducted under Method Two does not yield a different result than Method One because based on a 20-unit development, the math works out such that exactly four units are required and no fractional remainders exist.

Based on the calibrations of the model and development scenario, both Method One and Two result in a better financial outcome for the developer when compared to the existing IZ ordinance. Under the proposed IZ ordinance, the requirement to build 80% and 110% AMI units versus just 80% AMI units which helps the developer financially.

| <b>Table 12. 20-Unit Rental Development</b> |                       |  |   |                           |                           |
|---|-----------------------|--|---|---------------------------|---------------------------|
|   | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance<br>(Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
| Location                                    | TOD                   | TOD  | TOD   |                           |                           |
| Unit Type                                   | Rental                | Rental   | Rental  |                           |                           |
| Number of Units                             | 20                    | 20   | 20  |                           |                           |
| Parking                                     | Surface               | Surface  | Surface   |                           |                           |
| Special Permit                              | Yes                   | Yes  | Yes   |                           |                           |
| Inclusionary %                              | 15%                   | 20%  | 20%   |                           |                           |
| Inclusionary Treatment                      | Build Affordable Unit | Round and Build Units  | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                          | 3                     | 4  | 4   | 1                         | 1                         |
| Payment in Lieu                             | \$0                   | \$0  | \$0   | \$0                       | \$0                       |
| AMI Split                                   | 65% AMI               | 80/110% AMI  | 80/110% AMI   |                           |                           |
| All Costs                                   | \$8,614,029           | \$8,548,958  | \$8,548,958   |                           |                           |
| Land Cost                                   | \$3,851,349           | \$3,851,349  | \$3,851,349   |                           |                           |
| Land Cost Per Unit                          | \$192,567             | \$192,567  | \$192,567   |                           |                           |
| Average Cost Per Unit (Inclusive of Land)   | \$430,701             | \$427,448  | \$427,448   |                           |                           |
| <b>IRR</b>                                  | <b>12.0%</b>          | <b>12.2%</b>   | <b>12.2%</b>  | <b>0.2%</b>               | <b>0.2%</b>               |
| <b>NPV</b>                                  | <b>\$793</b>          | <b>\$54,251</b>  | <b>\$54,251</b>   | <b>\$53,457</b>           | <b>\$53,457</b>           |

### 35-Unit Ownership Development

The 35-unit ownership development under the existing IZ ordinance results in five affordable units built at 80% AMI and 30 market rate units. Using the residual land value calculation, the land value per unit which would result in a 20% return would be \$228,185. Since this is a hypothetical development with a financial return set to 20%, the land value per unit tends to be much higher than what land would normally sell for in the market. If the developer could obtain the land at a lower cost ultimately their return on investment would be much higher, but for the sake of the modeling exercise we are assuming a conservative rate of return.

Under Method One, the developer would build 26 market rate units and nine affordable units (four at 80% AMI, and five at 110% AMI). The NPV of the project would be a negative \$739,011 and the IRR would be 5.4 percent. The financial return under Method One is lower than the existing IZ ordinance because an additional four units of affordable housing is required. Even though all the affordable units are restricted to an AMI threshold that is higher than the existing IZ ordinance, the value gap of each affordable unit continues to erode the financial return to the developer. Even with the inclusion of units at 110% AMI, that still is not enough to overcome the value loss.

Under Method Two, the developer would build 27 market rate units and eight affordable units (three at 80% AMI, and five at 110% AMI), and a fee-in-lieu of \$291,750 which would be paid to the City for the fractional unit. The NPV of the project would be a negative \$773,917 and the IRR would be 5.5 percent. The financial return under Method Two is lower than the existing IZ ordinance because an additional three units of affordable housing is required plus the fee-in-lieu payment. Even though all the affordable units would be built at an AMI threshold which is higher than the existing IZ ordinance, the value gap of each affordable unit continues to erode the financial return to the developer, and thus makes it uneconomic.

Based on the calibrations of the model and development scenario, both Method One and Two result in a financial return which is less than the 20 percent minimum return. This indicates that the proposed IZ ordinance is more onerous than the existing IZ ordinance. The increased number of affordable units under the proposed IZ ordinance makes the project uneconomic.

**Table 13. 35-Unit Ownership Development**

|   | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance<br>(Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
|---|-----------------------|--|---|---------------------------|---------------------------|
| Location                                  | TOD                   | TOD  | TOD   |                           |                           |
| Unit Type                                 | Owner                 | Owner  | Owner   |                           |                           |
| Number of Units                           | 35                    | 35   | 35  |                           |                           |
| Parking                                   | Underground           | Underground  | Underground   |                           |                           |
| Special Permit                            | Yes                   | Yes  | Yes   |                           |                           |
| Inclusionary %                            | 15%                   | 25%  | 25%   |                           |                           |
| Inclusionary Treatment                    | Build Affordable Unit | Round and Build Units  | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                        | 5                     | 9  | 8   | 4                         | 3                         |
| Payment in Lieu                           | \$0                   | \$0  | \$291,750   | \$0                       | \$291,750                 |
| AMI Split                                 | 80% AMI               | 80/110 AMI   | 80/110 AMI  |                           |                           |
| All Costs                                 | \$20,088,853          | \$19,810,415   | \$19,875,486  |                           |                           |
| Land Cost                                 | \$7,986,484           | \$7,986,484  | \$7,986,484   |                           |                           |
| Land Cost Per Unit                        | \$228,185             | \$228,185  | \$228,185   |                           |                           |
| Average Cost Per Unit (Inclusive of Land) | \$573,967             | \$566,012  | \$567,871   |                           |                           |
| <b>IRR</b>                                | <b>20.0%</b>          | <b>5.4%</b>  | <b>5.5%</b>   | <b>-14.6%</b>             | <b>-14.5%</b>             |
| <b>NPV</b>                                | <b>\$690</b>          | <b>(\$739,011)</b>   | <b>(\$773,917)</b>  | <b>(\$739,701)</b>        | <b>(\$774,608)</b>        |

## 65 Unit Rental Development

The 65-unit rental development under the existing IZ ordinance results in 10 affordable units built at an average of 65% AMI and 55 market rate units. Using the residual land value calculation, the land value per unit which would result in a 12% return would be \$110,699.

Under Method One, the developer would build 48 market rate units and 17 affordable units (five at 50% AMI, seven at 80% AMI, and five at 110% AMI). The NPV of the project would be a negative \$856,242 and the IRR would be 11.1 percent. The financial return under Method One is lower than the existing IZ ordinance because an additional seven units of affordable housing is required. Even though the affordable units are allocated amongst multiple AMI thresholds, the value gap of each affordable unit continues to erode the financial return to the developer. Even with the inclusion of units at 110% AMI, that still is not enough to overcome the value loss because the cost of developing an affordable unit is essentially equal to that of a market rate unit.

Under Method Two, 51 market rate units, 14 affordable units (four at 50% AMI, six at 80% AMI, and four at 110% AMI), and a fee-in-lieu of \$875,250 would be paid to the City for the fractional units. The NPV of the project would be a negative \$1,216,502 and the IRR would be 10.8 percent. Again, the financial return under Method Two is lower than the existing IZ ordinance because of the four extra affordable units coupled with the fee-in-lieu payment.

Based on the calibrations of the model and development scenario, both Method One and Two result in a financial return which is less than the 12 percent minimum return. This indicates that the proposed IZ ordinance is more onerous than the existing IZ ordinance. The increased number of affordable units under the proposed IZ ordinance makes the project uneconomic in this scenario.

| <b>Table 14. 65-Unit Rental Development</b> |                       |  |   |                           |                           |
|---|-----------------------|--|---|---------------------------|---------------------------|
|   | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance<br>(Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
| Location                                    | TOD                   | TOD  | TOD   |                           |                           |
| Unit Type                                   | Rental                | Rental   | Rental  |                           |                           |
| Number of Units                             | 65                    | 65   | 65  |                           |                           |
| Parking                                     | Underground           | Underground  | Underground   |                           |                           |
| Special Permit                              | Yes                   | Yes  | Yes   |                           |                           |
| Inclusionary %                              | 15%                   | 25%  | 25%   |                           |                           |
| Inclusionary Treatment                      | Build Affordable Unit | Round and Build Units  | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                          | 10                    | 17   | 14  | 7                         | 4                         |
| Payment in Lieu                             | \$0                   | \$0  | \$875,250   | \$0                       | \$875,250                 |
| AMI Split                                   | 65% AMI               | 50/80/110% AMI   | 50/80/110% AMI  |                           |                           |
| All Costs                                   | \$27,843,738          | \$27,448,530   | \$27,616,564  |                           |                           |
| Land Cost                                   | \$7,195,416           | \$7,195,416  | \$7,195,416   |                           |                           |
| Land Cost Per Unit                          | \$110,699             | \$110,699  | \$110,699   |                           |                           |
| Average Cost Per Unit (Inclusive of Land)   | \$428,365             | \$422,285  | \$424,870   |                           |                           |
| <b>IRR</b>                                  | <b>12.0%</b>          | <b>11.1%</b>   | <b>10.8%</b>  | <b>-0.9%</b>              | <b>-1.2%</b>              |
| <b>NPV</b>                                  | <b>\$525</b>          | <b>(\$856,242)</b>   | <b>(\$1,216,502)</b>  | <b>(\$856,766)</b>        | <b>(\$1,217,027)</b>      |



## 180-Unit Rental Development

The 180-unit rental development under the existing IZ ordinance results in 27 affordable units built at an average of 65% AMI and 153 market rate units. Using the residual land value calculation, the land value per unit which would result in a 12% return would be \$111,664.

Under Method One, the developer would build in 135 market rate units and 45 affordable units (18 at 50% AMI, 18 at 80% AMI, and nine at 110% AMI). The NPV of the project would be a negative \$2,801,086 and the IRR would be 10.9 percent. The financial return under Method One is lower than the existing IZ ordinance because an additional 18 units of affordable housing that is required. Even though the affordable units are allocated amongst multiple AMI thresholds, the value gap for each affordable unit continues to erode the financial return to the developer. Even with the inclusion of units at 110% AMI, that still is not enough to overcome the value loss because the cost of developing an affordable unit is essentially equal to that of a market rate unit.

The analysis conducted under Method Two does not yield a different result than Method One because based on a 180-unit development, the math works out such that exactly 45 affordable units are required and no fractional remainders exist.

Based on the calibrations of the model and development scenario, both Method One and Two result in a financial return which is less than the 12 percent minimum return. This indicates that the proposed IZ ordinance is more onerous than the existing IZ ordinance. The increased number of affordable units under the proposed IZ ordinance makes the project uneconomic in this scenario.

**Table 15. 180-Unit Rental Development**

|  | Existing IZ Ordinance | Method One:<br>Proposed IZ Ordinance<br>(Round and Build Unit) | Method Two:<br>Proposed IZ Ordinance (Build Unit and Fee-in-lieu) | Existing IZ vs Method One | Existing IZ vs Method Two |
|--|-----------------------|--|---|---------------------------|---------------------------|
| Location                                     | TOD                   | TOD  | TOD   |                           |                           |
| Unit Type                                    | Rental                | Rental   | Rental  |                           |                           |
| Number of Units                              | 180                   | 180  | 180   |                           |                           |
| Parking                                      | Underground           | Underground  | Underground   |                           |                           |
| Special Permit                               | Yes                   | Yes  | Yes   |                           |                           |
| Inclusionary %                               | 15%                   | 25%  | 25%   |                           |                           |
| Inclusionary Treatment                       | Build Affordable Unit | Round and Build Units  | Build Units and Pay Fractional                                    |                           |                           |
| Inclusionary Units                           | 27                    | 45   | 45  | 18                        | 18                        |
| Payment in Lieu                              | \$0                   | \$0  | \$0   | \$0                       | \$0                       |
| AMI Split                                    | 65% AMI               | 50/80/110% AMI   | 50/80/110% AMI  |                           |                           |
| All Costs                                    | \$77,066,664          | \$76,082,952   | \$76,082,952  |                           |                           |
| Land Cost                                    | \$20,099,549          | \$20,099,549   | \$20,099,549  |                           |                           |
| Land Cost Per Unit                           | \$111,664             | \$111,664  | \$111,664   |                           |                           |
| Average Cost Per Unit<br>(Inclusive of Land) | \$428,148             | \$422,683  | \$422,683   |                           |                           |
| <b>IRR</b>                                   | <b>12.0%</b>          | <b>10.9%</b>   | <b>10.9%</b>  | <b>-1.1%</b>              | <b>-1.1%</b>              |
| <b>NPV</b>                                   | <b>\$54,626</b>       | <b>(\$2,801,086)</b>   | <b>(\$2,801,086)</b>  | <b>(\$2,855,712)</b>      | <b>(\$2,855,712)</b>      |

## BONUS DENSITY ANALYSIS

A bonus density offers an incentive to a developer to build additional affordable units in exchange for market rate units. Under the existing IZ ordinance the density bonus provides a one-to-one ratio of more market rate units to affordable units. The existing density bonus has historically been underutilized because the financial incentive is not great enough. Under the proposed IZ ordinance, the density bonus is increased to a two-to-one ratio, providing for two market rate units for every affordable unit. Additionally, all the affordable units under the density bonus are targeted toward the 50% AMI level. RKG tested the bonus impact of the proposed bonus density on the 65-unit project, as well as a hypothetical bonus density of three-to-one.

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### 65-Unit Rental Development with Bonus Density

In the 65-unit rental development scenario under the proposed IZ ordinance, the bonus density allows for a maximum increase of bonus units of 20% of the total number of units in the development. Table 16 on the accompanying page presents the findings of the analysis. In the case of a 65-unit development the total number of bonus units allowed are 13 ( $65 \times 20\%$ ), meaning that 78 units are allowed on the site of a 65-unit development. In the case where a two-to-one bonus density is applied seven additional affordable units are provided in exchange for 14 market rate units (14 market rate units resulted from rounding, since 13 is a prime number with no multiples). The added increase in market rate units slightly improves the financial viability of the development. In the baseline scenario where no bonus density is used, the IRR of the project is 10.8% which indicates the development does not reach market return expectations. Under the two-for-one bonus density scenario the IRR of the project improves to 11.1% but still does not reach the 12% desired return, indicating the incentive is not enough to the developer.

Applying a three-to-one bonus density results in the addition of four more affordable units in exchange for 12 market rate units (12 units results due to rounding because 13 has no multiples). The IRR of the project increases to 11.5%; however, the project still does not reach the minimum return expectation. The main reason why the bonus density is not working is because the affordable units that are provided through the bonus density are targeted towards the 50% AMI level. Due to the deep affordability level, the value loss that results is still too great for the developer to overcome.

**Table 16. 65-Unit Rental Development With Bonus Density**

|  | Method Two:<br>Proposed IZ<br>Ordinance<br>(Build Unit<br>and Fee in<br>Lieu, No<br>Bonus) | Method Two:<br>Proposed IZ<br>Ordinance (Build<br>Unit and Fee in<br>Lieu, 2:1 Bonus) | Method Two:<br>Proposed IZ<br>Ordinance (Build<br>Unit and Fee in<br>Lieu, 3:1 Bonus) | Method<br>Two vs.<br>2:1 Bonus | Method Two<br>vs.<br>3:1 Bonus |
|--|--|---|---|--------------------------------|--------------------------------|
| Location                                     | TOD  | TOD   | TOD   |                                |                                |
| Unit Type                                    | Rental   | Rental  | Rental  |                                |                                |
| Number of Units                              | 65   | 79  | 77  | 14                             | 12                             |
| Parking                                      | Underground  | Underground   | Underground   |                                |                                |
| Special Permit                               | Yes  | Yes   | Yes   |                                |                                |
| Inclusionary %                               | 25%  | 25%   | 25%   |                                |                                |
| Inclusionary Treatment                       | Build Units<br>and Pay<br>Fractional   | Build Units and<br>Pay Fractional   | Build Units and Pay<br>Fractional   |                                |                                |
| Inclusionary Units                           | 14   | 21  | 18  | 7                              | 4                              |
| Payment in Lieu                              | \$875,250  | \$875,250   | \$875,250   | \$0                            | \$0                            |
| AMI Split                                    | 50/80/110%<br>AMI  | 50/80/110% AMI  | 50/80/110% AMI  |                                |                                |
| All Costs                                    | \$27,616,564   | \$31,745,358  | \$31,294,727  |                                |                                |
| Land Cost                                    | \$7,195,416  | \$7,195,416   | \$7,195,416   |                                |                                |
| Land Cost Per Unit                           | \$110,699  | \$91,081  | \$93,447  |                                |                                |
| Average Cost Per Unit<br>(Inclusive of Land) | \$424,870  | \$401,840   | \$406,425   |                                |                                |
| <b>IRR</b>                                   | <b>10.8%</b>   | <b>11.1%</b>  | <b>11.5%</b>  | <b>0.4%</b>                    | <b>0.7%</b>                    |
| <b>NPV</b>                                   | <b>(\$1,216,502)</b>   | <b>(\$990,672)</b>  | <b>(\$590,854)</b>  | <b>\$225,830</b>               | <b>\$625,648</b>               |

### 180-Unit Rental Development with Bonus Density

Table 17 on the accompanying page presents the findings of the analysis. In the 180-unit rental development scenario under the proposed IZ ordinance, the bonus density allows for a maximum increase of bonus units of 20% of the total number of units which translates into 36 ( $180 \times 20\%$ ) bonus units, meaning that 216 units are allowed on the site of a 180-unit development. In the case where a two-to-one bonus density is applied, 18 additional affordable units are provided in exchange for 36 market rate units. The added increase in market rate units slightly improves the financial viability of the development. In the baseline scenario where no bonus density is used, the IRR of the project is 10.9 percent which indicates the development is not financially feasible. Under the two-for-one bonus density scenario the IRR of the project improves to 11.2% but still does not reach the 12% desired return, indicating the incentive is not enough to the developer.

Applying a three-to-one bonus density results in the addition of 12 more affordable units in exchange for 36 market rate units. The IRR of the project increases to 11.7%; however, the project still does not become financially viable. The main reason why the bonus density is not working is because the affordable units that are provided through the bonus density are targeted towards the 50% AMI level. Due to the deep affordability level, the value loss that results is still too great for the developer to overcome.

**Table 17. 180-Unit Rental Development With Bonus Density**

|  | Method Two:<br>Proposed IZ<br>Ordinance<br>(Build Unit<br>and Fee in<br>Lieu, No<br>Bonus) | Method Two:<br>Proposed IZ<br>Ordinance (Build<br>Unit and Fee in<br>Lieu, 2:1 Bonus) | Method Two:<br>Proposed IZ<br>Ordinance (Build<br>Unit and Fee in<br>Lieu, 3:1 Bonus) | Method<br>Two vs.<br>2:1 Bonus | Method Two<br>vs.<br>3:1 Bonus |
|--|--|---|---|--------------------------------|--------------------------------|
| Location                                     | TOD  | TOD   | TOD   |                                |                                |
| Unit Type                                    | Rental   | Rental  | Rental  |                                |                                |
| Number of Units                              | 180  | 216   | 216   | 36                             | 36                             |
| Parking                                      | Underground  | Underground   | Underground   |                                |                                |
| Special Permit                               | Yes  | Yes   | Yes   |                                |                                |
| Inclusionary %                               | 25%  | 25%   | 25%   |                                |                                |
| Inclusionary Treatment                       | Build Units<br>and Pay<br>Fractional   | Build Units and<br>Pay Fractional   | Build Units and Pay<br>Fractional   |                                |                                |
| Inclusionary Units                           | 45   | 63  | 57  | 18                             | 12                             |
| Payment in Lieu                              | \$0  | \$0   | \$0   | \$0                            | \$0                            |
| AMI Split                                    | 50/80/110%<br>AMI  | 50/80/110% AMI  | 50/80/110% AMI  |                                |                                |
| All Costs                                    | \$76,082,952   | \$86,813,603  | \$87,120,486  |                                |                                |
| Land Cost                                    | \$20,099,549   | \$20,099,549  | \$20,099,549  |                                |                                |
| Land Cost Per Unit                           | \$111,664  | \$93,053  | \$93,053  |                                |                                |
| Average Cost Per Unit<br>(Inclusive of Land) | \$422,683  | \$401,915   | \$403,336   |                                |                                |
| <b>IRR</b>                                   | <b>10.9%</b>   | <b>11.2%</b>  | <b>11.7%</b>  | <b>0.3%</b>                    | <b>0.8%</b>                    |
| <b>NPV</b>                                   | <b>(\$2,801,086)</b>   | <b>(\$2,367,936)</b>  | <b>(\$964,979)</b>  | <b>\$433,150</b>               | <b>\$1,836,107</b>             |

## SUMMARY FINDINGS

Based on the analysis conducted by RKG, it appears that project size (number of units) matters in relation to the IZ ordinance. The proposed IZ ordinance for small developments which can be defined as under six units seems to have a detrimental impact on the project financial feasibility. At the small scale, the addition of an additional unit of affordable housing has an outsized impact on the overall financial return of the project. Small scale developers have greater sensitivity to changes in their development program than larger developers because there are less units to spread the risk. For example, if a developer were to build a four-unit development under the proposed IZ, they would be required to pay a fee-in-lieu for the fractional unit (0.60) which would amount to \$233,400. Under the rental scenario in the model a four-unit development costs about \$1.8 million to build; the fee-in-lieu would be nearly 13% of the total cost. For a small project of that size, an increase in expenditures of that magnitude would have a detrimental impact.

At the medium size project level of between six and 20 units, the proposed changes to the inclusionary zoning ordinance appear calibrated correctly as they result in more affordable units for the City, and a better financial outcome to the developer. The percent allocation of affordable units between AMI thresholds is critical. Under the proposed language for ownership units between seven and nine units, the unit allocation is 15% of the units at 110% AMI; while for rental developments between 10 and 20 units the AMI allocation is 10% at 80% AMI, and 10% at 110% AMI. From the standpoint of building affordable units, these percent allocations help to incentivize the construction of units. Higher AMI thresholds minimize the value loss a developer experiences as compared to if they are required to provide units at a lower AMI threshold. The downside to this percent allocation is that housing for the lowest income levels does not get built; but if the incentive structure did not exist, then no housing would be built because the project would be financially infeasible.

At the large size rental projects defined as 35 units and above, the proposed IZ ordinance as designed has a negative impact on the overall financial return of a prototypical development. The key issue within the proposed IZ ordinance is how percentages within the affordability tiers are allocated. Table 18 below presents the affordability percentages for rental projects greater than 20 units. It can be observed that for developments falling between 51 and 100 units, there is a balance between units at 50% AMI and those at 110% AMI. However, even with the proposed affordability tiers, the balance is not sufficient to overcome the overall value loss from the creation of many affordable units.

| <b>Table 18. Affordability Tiers</b> |                    |                     |                   |
|--------------------------------------|--------------------|---------------------|-------------------|
|                                      | <b>21-50 Units</b> | <b>51-100 Units</b> | <b>101+ Units</b> |
| <b>Tiers</b>                         | <b>Rental</b>      | <b>Rental</b>       | <b>Rental</b>     |
| Tier 1, up to 50% AMI                | 5.0%               | 7.5%                | 10.0%             |
| Tier 2, 51% - 80% AMI                | 10.0%              | 10.0%               | 10.0%             |
| Tier 3, 81% - 110% AMI               | 10.0%              | 7.5%                | 5.0%              |
| Total                                | 25.0%              | 25.0%               | 25.0%             |
| Source: City of Newton, 2018         |                    |                     |                   |

At the largest scale of development, those over 101 units, the affordability is further skewed downward toward the 50% AMI level. By requiring a developer to set aside 10% of their units at 50% AMI, with as an offset of only 5% of the units at 110% AMI, the financial feasibility of the project will be challenged. If the City is mandating deeper levels of affordability then there needs to be an offset or incentive that is attractive to developers. Even when factoring in the proposed bonus density of two units for every one affordable, the offset is not enough to compensate for the greater level of affordability. Within the bonus density proposal, for every market rate unit converted to an affordable 50% AMI unit, two market rate units are given. Again, the compensation for the deep level of affordability is not a sufficient incentive for the developer. A shift in the percentages within the affordability tiers may offer a solution to making developments financially feasible.

The proposed bonus density of two-for-one, while having an impact on the overall project feasibility, is not great enough to offset the number of affordable units that are required at the 50% AMI level. Even applying a hypothetical three-to-one ratio still does not yield a positive result. The key finding for the bonus density is that as currently structured, it is not sufficient for making the projects financially viable. One possible solution towards improving the bonus density is rather than require all affordable units resulting from utilizing the bonus density to fall within the 50% AMI threshold, the units could be allocated across all the AMI thresholds. This spreading of affordable units ultimately helps the development financially because it offsets the deeper affordable units.



## APPENDIX 1

| <b>Baseline Model Assumptions</b>                   |                    |
|---|--------------------|
| <b>Revenues</b>                                     | <b>Assumptions</b> |
| <b>Market Rents*</b>                                |                    |
| Studio  | \$2,233            |
| 1BR   | \$3,166            |
| 2BR   | \$4,005            |
| 3BR   | \$4,832            |
| <b>Market Sales Values for Condos**</b>             |                    |
| 1BR   | \$419,000          |
| 2BR   | \$637,000          |
| 3BR   | \$862,000          |
| <b>Parking Income (Rental) (per spot)</b>           | \$150              |
| <b>Vacancy Rate (Rental)</b>                        | 5%                 |
| <b>Development Costs</b>                            |                    |
| <b>Construction Costs (PSF)</b>                     |                    |
| Town House  | \$192              |
| Stick   | \$176              |
| Stick Over Podium                                   | \$205              |
| <b>Special Permit Costs (addition to soft cost)</b> | 10%                |
| <b>Soft Costs</b>                                   | 20%                |
| <b>Land Costs Per Unit</b>                          |                    |
| 4 Owner   | \$189,936          |
| 4 Rental  | \$210,260          |
| 8 Owner   | \$294,688          |
| 20 Rental   | \$192,567          |
| 35 Owner  | \$228,185          |
| 65 Rental   | \$110,699          |
| 180 Rental  | \$111,664          |
| <b>Parking Costs (per stall)</b>                    |                    |
| Surface   | \$8,000            |
| Aboveground   | \$25,000           |
| Underground   | \$40,000           |
| <b>Parking Ratios</b>                               |                    |
| TOD   | 1.25               |
| NON-TOD   | 2.00               |
|   |                    |

|   |        |
|---|--------|
| <b>Financing Costs</b>                                |        |
| <b>First Year of Operations</b>                       | 2018   |
| <b>Construction Period</b>                            | 1 year |
| <b>Inflation Rate</b>                                 | 3%     |
| <b>Mortgage Term</b>                                  |        |
| Rental (Years)  | 20     |
| For Sale (Years)                                      | 2      |
| <b>Interest Rate</b>                                  |        |
| Rental  | 6.00%  |
| For Sale  | 5.50%  |
| <b>Equity</b>   |        |
| Rental  | 30.00% |
| For Sale  | 30.00% |
| <b>Capitalization Rate (Rental)</b>                   | 5.50%  |
| <b>Cost of Sale</b>                                   | 2.00%  |
| <b>Reversion (Years)</b>                              |        |
| Rental (Years)  | 10     |
| For Sale (Years)                                      | 1      |
| <b>Stabilization Period (Years)</b>                   | 1      |
| <b>Origination Fee %</b>                              | 1.50%  |
| <b>Developer Operating Expense Ratio (OE/PGI)</b>     | 25.00% |
| <b>Discount Rate (NPV) Rental</b>                     | 12.00% |
| <b>Discount Rate (NPV) For Sale</b>                   | 20.00% |
| <b>* Based on market research</b>                     |        |
| <b>**Used assessment database and market research</b> |        |

## GLOSSARY OF TERMS

- Capitalization Rate** – Ratio between the net operating income of a property and its sales value
- Discount Rate** – The interest rate used in discounted cash flow analysis to determine the present value of future cash flows
- Density Bonus** - A ordinance mechanism allowing a developer to build a greater number of units than the existing underlying zoning dictates in exchange for the creation of additional affordable units
- Equity** – Initial out-of-pocket investment on the part of developer that is required to obtain financing
- Effective Gross Income** – Gross income minus the vacancy collection loss
- Fee in-Lieu** – Payment made to City to account for fractional affordable unit not built.
- Internal Rate of Return** - Annualized rate of return sought by a developer based on the project discounted cashflow
- Net Operating Income** – Net income after deducting operating expenses from potential gross income
- Net Present Value** – Net value of the initial investment and cashflows generated from a project, discounted back to the current year
- Operating Expenses** – Expenses related to operating the building such as maintenance, salaries, and repairs
- Other Income** – Income generated from the property aside from rent, this income is parking revenues for leased spaces
- Potential Gross Income** – Potential income generated from rental income or sale of a property. Calculated by multiplying the number of units and rent for each unit
- Residual Land Value** - The price a developer pays for a piece of land. Generally, involves calculating the income expectations for the developed land, subtract all expenses associated with this development, and the remainder is the land residual
- Vacancy and Collection Loss** – Percent of rent that is uncollectable
- Value Gap** – Difference in value between a market rate unit and affordable unit



Setti D. Warren  
Mayor

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**Barney S. Heath**  
Director

### PUBLIC HEARING MEMORANDUM

**DATE:** December 8, 2017

**TO:** Councilor Ted Hess-Mahan, Chairman  
Members of the Zoning and Planning Committee

**FROM:** Barney Heath, Director of Planning and Development  
James Freas, Deputy Director of Planning and Development  
Amanda Berman, Housing Development Planner  
Jennifer Caira, Chief Planner

**RE:** #109-15(2) HIS HONOR THE MAYOR requesting consideration of changes to the inclusionary housing provisions of the Zoning Ordinance to increase the required percentage of affordable units to 25% for larger projects; require that some affordable units be designated for middle income households; and to create a new formula for calculating payments in lieu of affordable units.

**MEETING DATE:** December 11, 2017

One of the most important purposes of Zoning is to ensure that the development of a community happens in a way that is consistent with identified public benefits and values; thus, zoning ordinances include provisions related to such issues as parking, environmentally sustainable design, and other development rules. Like many communities in Massachusetts and across the country, Newton strongly values an economically diverse community; within the City's Zoning Ordinance, the Inclusionary Zoning provisions support this value and require that new residential development includes opportunities for a mix of household incomes.

Inclusionary Zoning is a popular tool that is used by local governments across the country to leverage private development for the creation of affordable housing. While ordinances take many forms, a common structure is to require a percentage of units in a private development be rented or sold at affordable levels to low- and moderate-income households (usually households at or below 80% of the Area Median Income, AMI). A 2015 report by the Lincoln

Institute of Policy identified more than 500 local ordinances in more than 27 states and the District of Columbia. Inclusionary Zoning is increasingly viewed as a critical tool for creating affordable housing in the face of declining federal funding, and to support housing opportunities in communities with strong schools, safe neighborhoods, and quality amenities, such as Newton.

Newton has a long history of supporting affordable housing production through private development; it was one of the first communities in the state and the nation to adopt an Inclusionary Zoning-like policy. In the last 1960's and early 1970's, the Board of Alderman required affordable units to be included as part of any project that required a special permit. In 1977, the City passed the "10% Ordinance," adopting its first form of Inclusionary Zoning, which has continued to evolve over the past 40 years.

In 2003, Newton increased its Inclusionary Housing percentage from 10% to 15% with an average affordability requirement of 65%. As it stands today, the ordinance applies to residential development requiring a special permit, including business or mixed-use development that includes residential, where there will be a net increase of two or more new dwelling units. However, due to the current interpretation of the ordinance, the Inclusionary Zoning requirements tends to only kick in when there is a net increase of six new dwelling units.

#### **Affordable Housing Units Created Under Newton's Current Inclusionary Zoning Ordinance**

The current version of the Inclusionary Zoning Ordinance took effect on April 22, 2003. Since that time, building permits have been issued for approximately 117 affordable units restricted to households earning at or below 80% of the Area Median Income (AMI). Of those 117 units, 14 units were required as a result of the Inclusionary Zoning Ordinance, and the remaining 103 affordable units were approved through the 40B Comprehensive Permit process. Additionally, four projects received Special Permit approval to pay a fee-in-lieu of providing the units on site. Information is unavailable for two of those projects, but the remaining two projects paid fees of \$36,000 and \$186,000, in lieu of providing one affordable unit each.

Over the last fourteen years, Newton has only issued building permits for approximately 18 multi-family projects containing four or more units. The reason for the limited multi-family construction is unclear at this time, but further analysis of the barriers to building multi-family housing in Newton is being conducted as part of the Zoning Redesign project currently underway. The current Inclusionary Zoning Ordinance typically does not apply to projects containing four to six residential units, and yet only five projects of this size have been permitted in the past five years. Also during this five-year timeframe, there have been five building permits issued for multi-family projects larger than six units subject to the Inclusionary Zoning Ordinance.

While the degree to which Inclusionary Zoning requirements in Newton play a role in determining the viability of building multi-family housing is not entirely clear at this time, based on recent building permit data, there does not appear to be an incentive to build smaller multi-family projects so as to avoid the City's Inclusionary Housing requirements.

### **A New Ordinance for Today's Newton**

On top of declining federal funds, the strength of Newton's (and greater Boston's) housing market in recent years has continued to shrink the available supply of affordable housing throughout the City, substantially widening the affordability gap for low- and moderate-income households seeking to live in Newton. Newton's 2016 *Newton Leads 2040 Housing Strategy* highlighted this trend, revealing that the City's demographic profile is rapidly shifting towards higher-income households, due in large part to high-value residential development and a limited supply of existing and new affordable housing units (see Attachment C for more data related to Newton's demographics and current housing needs).

One of the ten Priority Actions to come out of the Housing Strategy was a recommendation that the City strengthen its Inclusionary Zoning ordinance in order to realize the greatest public benefit from private development taking place throughout Newton. As such, the Housing Strategy recommends raising the Inclusionary Housing requirement to as much as 20%. In 2015, Mayor Warren docketed an item to increase the existing 15% minimum Inclusionary Housing provision and since that time staff has been working to amend and strengthen this ordinance to better meet the vast and diverse housing needs of Newton today.

Newton is not alone in considering an adjustment to its current Inclusionary Ordinance. In the past few years, Boston (2015), Cambridge (2017), and Somerville (2017) have all amended their Inclusionary Housing provisions to balance the growing need for affordable housing units in a rapidly appreciating and high-demand housing market. Cambridge increased its requirement from 11-13% to 20%; Somerville from 12.5-17.5% to 17.5% for smaller projects and 20% for larger projects; and Boston increased its payment-in-lieu requirements, and its requirement for off-site units from 15% to 18%. Wellesley's requirement has been at 20% since 2004.

In addition to proposing increases in the affordable housing requirement beyond 15%, Newton's Planning & Development Department has taken this opportunity to provide greater clarity and consistency throughout the ordinance, working to reduce the potential for multiple interpretations of the ordinance language and provide users of the ordinance with a clearer and more predictable roadmap for how the ordinance is to be applied in different circumstances. We have outlined the six major proposed changes to our current ordinance in the table below.

**Newton's Inclusionary Zoning Ordinance:  
Current vs. Proposed Comparison Table**

| Provision  | Current  | Proposed  | Rationale for Proposed Change  |
|--|--|---|--|
| <p><b>#1:</b><br/>When applied (see Required Inclusionary Units table below)</p> | <p>Net increase of 2 or more new dwelling units, less the number of units allowed by-right. However, due to current interpretation of ordinance, IZ requirement usually kicks in when there is a net increase of 6 new dwelling units. 6 new units minus 2 units allowed by-right = 4 units subject to IZ requirement; <math>4 \times 15\% = 0.6</math> (therefore, round up to get 1 required IZ unit).</p> | <p>Net increase of 4 or more new dwelling units, regardless of what is allowed by-right. The IZ requirement is purely based on the net increase of new dwelling units, with no reductions based on the number of residential units that could be built on a parcel by-right.</p>            | <ul style="list-style-type: none"> <li>• To clarify confusion and multiple interpretations around current ordinance language.</li> <li>• 15% of 4 new dwelling units would result in 0.6 of a unit, which is more than half of a unit</li> </ul> |
| <p><b>#2:</b><br/>Cash Payment in lieu of providing Inclusionary Units</p>       | <p>Through special permit application, developments containing 6 dwelling units or less; or City Council makes specific findings to unusual net benefit to allowing a fee rather than Inclusionary Units.</p>  | <p>Where IZ requirement results in a fraction of a unit, a cash payment may be made to cover that fractional requirement; or through special permit application, City Council makes specific findings to unusual net benefits to allowing a cash payment for the entire IZ requirement.</p> | <p>To capture all fractional amounts, regardless of project size, to go the IZ Fund to support future affordable housing projects.</p>   |

|   |  |   |   |
|---|--|---|---|
| <p><b>#3:</b><br/>Cash Payment Amount and Calculation (see Attachment A below for examples of calculation)</p>                              | <ul style="list-style-type: none"> <li>• First 2 units in a development are exempt from fee in lieu</li> <li>• For remaining units, fee equals 12% of sales price at closing of each unit or 12% of assessed value of each unit for rental projects</li> </ul> | <p>Based on a formula that utilizes the average of the Massachusetts DHCD Qualified Action Plan “Total Residential Development Cost Limits” Index for large and small unit projects at the time of first application to the City (currently = \$389,000).</p>                                   | <ul style="list-style-type: none"> <li>• To simplify and clarify calculation.</li> <li>• To tie cash payments to the state’s DHCD annual published maximum subsidy amount per unit for affordable housing projects seeking Federal Low-Income Housing Tax Credits (LIHTC) throughout the state.</li> </ul>            |
| <p><b>#4:</b><br/>Inclusionary Unit Tiers: Household Income Targeting and Middle-Income Households (see FY17 Income Limits table below)</p> | <ul style="list-style-type: none"> <li>• ½ of the households at 50% AMI</li> <li>• ½ of the households at 80% AMI</li> <li>• Average 65% AMI, regardless of project size</li> <li>• No IZ units provided for households above 80% AMI</li> </ul>               | <ul style="list-style-type: none"> <li>• Three Tiers of Eligible Households:<br/>Tier 1: Up to 50% AMI<br/>Tier 2: Up to 80% AMI<br/>Tier 3 (Middle-Income): Up to 110% AMI</li> <li>• Tiered structure linking affordability to project size and project type (ownership or rental)</li> </ul> | <ul style="list-style-type: none"> <li>• To more specifically apply IZ requirements across the spectrum of housing need in Newton: from low- to moderate- to middle-income households.</li> <li>• To apply IZ targets according to the size of a project and whether it is an ownership or rental project.</li> </ul> |
| <p><b>#5:</b><br/>Employ Rising IZ percentage requirement to project size (15% to 25%)</p>  | <p>15% for all Inclusionary Housing Projects, regardless of project size</p>   | <ul style="list-style-type: none"> <li>• 6 Tiers of Project Size:<br/>15%: 4-9 new units<br/>20%: 10-20 new units<br/>25%: 21+ new units</li> </ul>   | <ul style="list-style-type: none"> <li>• Larger projects can absorb higher percentage requirements for low- to middle-income housing.</li> <li>• To balance the need for greater affordability with project financial feasibility.</li> </ul>   |



|   |  |  |  |
|---|--|--|--|
| <p><b>#6:</b><br/>Elder Housing with Services</p> | <ul style="list-style-type: none"> <li>• Contribution = 2.5% of annual gross revenue calculation to be contributed to City</li> <li>• The City Council determines whether the contribution shall be residential beds or units or a cash payment</li> </ul> | <ul style="list-style-type: none"> <li>• 5% of beds provided on-site shall be designated affordable for elderly households at or below 80% AMI.</li> <li>• Monthly housing plus service costs not to exceed 80% of eligible household's annual gross income.</li> <li>• Cash payment option through special permit process, where City Council finds a net benefit to allowing payment rather than providing affordable beds.</li> </ul> | <ul style="list-style-type: none"> <li>• To simplify and clarify ordinance language and reduce confusion around current requirements.</li> <li>• To provide clear guidance for determining Elder Housing with Services Inclusionary benefits.</li> </ul> |
|---|--|--|--|

| Number of Inclusionary Units Required |               |              |               |              |                 |              |                 |              |                  |              |                |              |
|---------------------------------------|---------------|--------------|---------------|--------------|-----------------|--------------|-----------------|--------------|------------------|--------------|----------------|--------------|
| Tier Level                            | 4-6 new units |              | 7-9 new units |              | 10-20 new units |              | 21-50 new units |              | 51-100 new units |              | 101+ new units |              |
|                                       | Rental        | Owner        | Rental        | Owner        | Rental          | Owner        | Rental          | Owner        | Rental           | Owner        | Rental         | Owner        |
| <b>Tier 1, up to 50% AMI</b>          | -             | -            | -             | -            | -               | -            | 5.0%            | -            | 7.5%             | -            | 10.0%          | -            |
| <b>Tier 2, 51%-80% AMI</b>            | 15.0%         | 15.0%        | 15.0%         | -            | 10.0%           | 10.0%        | 10.0%           | 10.0%        | 10.0%            | 15.0%        | 10.0%          | 15.0%        |
| <b>Tier 3, 81%-110% AMI</b>           | -             | -            | -             | 15.0%        | 10.0%           | 10.0%        | 10.0%           | 15.0%        | 7.5%             | 10.0%        | 5.0%           | 10.0%        |
| <b>Total</b>                          | <b>15.0%</b>  | <b>15.0%</b> | <b>15.0%</b>  | <b>15.0%</b> | <b>20.0%</b>    | <b>20.0%</b> | <b>25.0%</b>    | <b>25.0%</b> | <b>25.0%</b>     | <b>25.0%</b> | <b>25.0%</b>   | <b>25.0%</b> |

| FY 2017 Income Limits Summary - Newton, MA |                |          |           |           |           |           |
|--|----------------|----------|-----------|-----------|-----------|-----------|
| Income Level                               | Household Size |          |           |           |           |           |
|  | 1              | 2        | 3         | 4         | 5         | 6         |
| <b>50% AMI</b>                             | \$36,200       | \$41,400 | \$46,550  | \$51,700  | \$55,850  | \$60,000  |
| <b>60% AMI</b>                             | \$49,680       | \$55,860 | \$62,040  | \$67,020  | \$72,000  | \$76,980  |
| <b>80% AMI</b>                             | \$54,750       | \$62,550 | \$70,350  | \$78,150  | \$84,450  | \$90,700  |
| <b>100% AMI</b>                            | \$72,400       | \$82,800 | \$93,100  | \$103,400 | \$111,700 | \$120,000 |
| <b>110% AMI</b>                            | \$79,640       | \$91,080 | \$102,410 | \$113,740 | \$122,870 | \$132,000 |