

Newton City Council
City of Newton
1000 Commonwealth Avenue
Newton MA 02459

Re: Northland Project
Petition #425-18
Special Permit #426-18

September 11, 2019

Dear Honorable City Councilors:

The Economic Development Commission (EDC) is pleased to provide this letter which outlines our views on the Northland Project. Overall, we are supportive of the Project and have several recommendations we believe should be considered. As an advisor to the Mayor and City Council on economic development issues, the EDC has a critical mission -- to promote, support, and encourage the development of new and existing businesses in the city, thereby increasing the commercial tax base and the economic vitality of the city.

We would like to thank Northland for presenting overviews of the Project to the EDC at various stages of development over the last few years and for being responsive to certain issues we raised. We would also like to thank the City Council and related committees for the public process which provided insights into issues raised by various constituencies and for the opportunity to share our thoughts.

At the September 10, 2019 meeting, the following position was adopted by the EDC by a vote of 12-0.

The EDC's support for aspects of the Northland Project is based on its alignment with the City Council-approved Economic Development Strategy¹, specifically the provisions related to:

- Creating developments that contribute to the City's being a great place to live, work, and play (Goal 1).
- Encouraging mixed-use developments in our commercial corridors (Objective 1C).
- Revitalizing Needham Street (Objective 2A).
- Supporting small local retailers (Objective 3E).
- Promoting multi-modal transportation opportunities including partnering with the private sector for shuttle services (Objective 5A & C).
- Providing affordable workforce housing units (Table 2).

In general, we believe the Project will be beneficial to the City from the following economic development perspectives. This letter is based on the proposal with 800 units of housing, 115,000 square feet (SF) of retail, and 180,000 (SF) of commercial space, the site plan dated April 12, 2019, and information publicly available as of June 18, 2019.

¹ *Economic Development Action Plan for the City of Newton*, Camoin Associates, January 2019

- Development of an underutilized 22-acre site.
- Investment of approximately half a billion dollars² including an estimated one-time \$7 million in building permit fees to the City³.
- Generation of a conservative estimate of \$1 million in annual net new positive tax revenue. (approximately \$4 million in gross tax revenue)⁴ and an estimated on-going direct and indirect annual economic impact of approximately \$471 million⁵.
- Align with Newton with regional development trends.

Aspects of the Project that advance economic development in Newton:

- Significant investment in Newton.
- Mixed use development in the Needham Street Corridor.
- Commitment to 10,000 SF of local retail with a 25% discount on rent. (total retail is 115,000 SF).
- Renovation of office space and inclusion of multi-level atrium in the office building which will include common space/Internet lounges and a café.
- Commitment to provide frequent, free, public shuttle services to the Newton Highlands MBTA stop.
- A structured and financed Transportation Demand Management Plan to incentivize travel modes other than single occupancy vehicles.
- Accommodations for pedestrians and bicycles.
- Sustainable elements including charging stations, solar elements, partial green roofs and Gold LEED certification.
- Location of parking underground to enhance site design.
- Undergrounding of pole-mounted utilities on Needham and Oak Street frontages.

Recommendations specific to the current special permit application

- Help create physical linkages to the rest of the N-Squared Innovation District through pedestrian or bus access. This can include but is not limited to, updating bike and pedestrian paths, creating river crossings into Needham, and helping design and build pedestrian access to Wells Ave. This can also include the integration of bus service as a way to establish a full transportation system within the N-Squared area.
- Build public space usable by the business community of the N-Squared Innovation District to act as a gathering point, allowing for meetings, events, and activities designed to create community among businesses.
- Expand the shuttle service to nearby commuter rail stations and integrate shuttle system with current/planned similar services within Newton and the N-Squared Innovation District including Needham Crossing

² *Newton Development Peer Review, Northland Newton Development* performed by RKG Associates, Inc for the City of Newton, Massachusetts, March 2019

³ *Fiscal Impact Analysis*, prepared by Fougere Planning & Development, Inc. and Economic Impact Analysis, prepared by Landwise Advisors for Northland Newton Development, Newton, MA, August 31, 2018

⁴ *Newton Development Peer Review, Northland Newton Development* performed by RKG Associates, Inc for the City of Newton, Massachusetts, March 2019

⁵ *ibid*

- Finalize details of the *Transportation Demand Management Plan* to be in accordance with the City's recommended requirements.
- Finalize the financing of ongoing programming of the proposed recreational facilities on the site.

Consideration for future development along the Needham street corridor:

- We recommend that future development within the Needham Street corridor be structured to achieve objective 1A and 1B of the *Economic Development Action Plan for the City of Newton*, prepared by Camoin Associates, January 2019, namely
 - "Objective 1A – Increase lab space in Newton to capitalize on highly skilled workforce with science background and regional economic trends"
 - "Objective 1B – Increase office space in Newton including coworking space to attract and retain companies and increase the commercial tax base"
- We recommend that the City of Newton authorize "as of right" commercial development up to 50,000 square feet for flexible, commercial, industrial, laboratory, co-working space or hotel use along the Needham Street Corridor.
- We recommend that any future redevelopment contemplated by Northland or its successors on property it owns on the east side of Needham Street be 100% commercial/industrial/flex and not include a residential component.
- Finally, we recommend that future redevelopment along Needham Street be heavily weighted toward and favor commercial/industrial/flex development over residential development.

Thank you for your consideration of our comments on the Northland Project. We advise the City Council to approve the zoning change and special permit with due consideration of the recommendations above.

Sincerely,



Joyce L. Plotkin,
Chair,
Economic Development Commission

Copy to: Mayor Fuller, City of Newton, MA
Planning and Development Board, City of Newton, MA
Northland Investment Corporation, Newton, MA