

**Advisory Committee Meeting
Juliani Room, Wellesley Town Hall
Wednesday, March 27, 2019 7:00 p.m.**

Those present from the Advisory Committee included Todd Cook, Rose Mary Donahue, Mary Gard, Bill Maynard, Paul Merry, Dave Murphy, Betsy Roberti, Tom Skelly and Andrea Ward.

Tom Skelly called the meeting to order at 7:00 p.m.

7:00 p.m. Citizen Speak

There was no one present for Citizen Speak.

7:00 p.m. Executive Director re: update on Wellesley Office Park project

Meghan Jop, Executive Director; Tom Ulfelder, Board of Selectmen (BOS); and Tom Harrington, Town Counsel, were present.

- Purpose of presentation tonight is to provide update on the Wellesley Office Park (WOP) project's 40R zoning and development agreement
 - Later, will give brief update on Delanson Circle and 148 Weston Road projects; originally filed as 40Bs; Town has partnered with the developer to allow for by-right development of reduced number of condominium units
- Town made its preliminary submission to Department of Housing and Community Development (DHCD) several weeks ago; anticipate that comments will be received from DHCD shortly
 - February 11 version of 40R zoning bylaw is the most current
- Existing WOP attributes
 - 650,000 square feet of commercial space; 1,927 parking spaces; café, fitness center and a small bakery are currently on-site
 - Current zoning is administrative and professional; has been in place since the 1970s
 - The allowed usage is office and single family (not multi-family and hotel)
- Proposed John Hancock multi-year development
 - Phase 1 is for 350 residential units; Phase 2 is for an additional 250 units
 - Town has agreed to increase maximum total residential units from 550 to 600
 - Developer's market analysis showed that a 250-unit project is the minimum needed for return on investment
 - Town wants 350-unit project in Phase I to get us up to Town-wide 10% affordable units needed for Subsidized Housing Inventory (SHI)
 - There is allowance of 700,000 square feet of total office space in overall project
 - Agreement would allow for ancillary entities up to 19,500 square feet (small scale retail and 175-room hotel)
 - Structured parking is proposed throughout the site
- Under 40R zoning
 - Housing must be allowed as of right; minimum density requirements are 20 units per acre (533 units)
 - Town receives cash incentives from the state in the form of zoning incentive payments and a bonus payment for actual construction
 - 20% of units need to be affordable; the Town has negotiated with John Hancock for 25% to be affordable units

- Per state regulation, all rental units count towards Town's SHI (in condo projects, by contrast, only the actual affordable units count)

A question was asked what makes the units affordable: Rent is 80% of metropolitan area median income; Wellesley is in Boston metro area; these rents are regulated by the federal Department of Housing and Urban Development, which DHCD adopts on an annual basis.

There was a discussion about the remedies/protections for the Town within the development agreement to ensure that the units will be constructed as rental and not townhomes/condos: Straight contract action; if developer applies to build townhome project, the building permit would be denied for failing to meet the terms of the development agreement; if they build apartments and later want to convert to condos, DHCD would deny that application. There are other protections in place to enforce the provisions; the development agreement specifies 600 units, which are all rental. John Hancock has committed to define that all the units on the site will be apartment style. Zoning cannot dictate ownership; without the development agreement, the owner could do whatever it would like; it is the development agreement that locks them in.

A question was asked if Section 8 applies to WOP: Section 8 goes with the person and is not attached to the unit.

A question was asked as to the rationale and legal thinking of why all rental units (and not just the affordable units) should be included within the Town's SHI: This determination was the result of a court case (*Ardmore*). There was a follow-up question whether another court might take a different view: The state has subsequently adopted by regulation the *Ardmore* approach of counting all rental units in the SHI.

A question was asked about the actual rental rates of the apartments: About \$1,400 for a one-bedroom; \$1,600-\$1,700 for a two-bedroom; typically include utilities as part of rent.

- Anticipated DHCD payments to Town were reviewed
 - Town will receive initial incentive payment upon passage of the zoning by Special Town Meeting (STM) and approval by the Attorney General
 - Attorney General has 90 days for approval
 - Anticipate \$350,000 for Phase I
 - Town will receive additional \$3,000 bonus for each unit for which building permit is issued
 - Anticipate \$990,000 in bonus payments for Phase I
 - Estimated Phase I total incentive + bonus = \$1,340,000

A question was asked about the timing: The development agreement will be signed prior to STM; DHCD approves the initial zoning; approved STM zoning is re-submitted to DHCD and the Attorney General; incentive payment is received upon AG approval.

A question was asked about what exactly Town Meeting will be asked to approve: Town Meeting will approve the zoning changes; the development agreement will be provided informationally to STM; will be signed ahead of time by BOS. Unlike the Linden Square project, this development agreement will not be approved by Town Meeting. Typically, development agreements are not adopted by Town Meeting, for the reason that any future changes to the development agreement then become difficult because they require Town Meeting approval.

A question was asked about what happens if the agreement is signed, Town Meeting approves zoning changes, and then something comes up that interferes with or prevents the developer from following

through with the agreement (i.e., catastrophic economic event): Still discussing this; Town would take legal action depending on the circumstances.

A question was asked whether, since the Schools are working on developing a more diverse staff, any of the affordable units could be opened up to Town employees: Local preferences currently include employees, residents, or families of students attending school in Wellesley (METCO student families); latter preference was added in conjunction with Belclare project.

A comment was made that the SEC does not appear to be listed among the Town groups involved in the development agreement: SEC was involved and has had conversations with John Hancock and Hanover Company (developer) on how they handle sustainable development.

A comment was made that the link to the text of the language of the zoning bylaw should be moved from the Planning page on the Town website to the Current Projects page.

A question was asked whether the proposed 40R zoning language had been taken from a state model bylaw and whether/how it was modified: Yes, this is model language and it has been modified for the specificity of the site; tied to existing zoning for non-residential uses (e.g., building height, parking regulations). Wellesley typically looks at each parcel and what can be done with each parcel; this is a master plan and it is being evaluated holistically with respect to the interrelationship of the pieces. This integrates the design review process into the zoning. As part of the state review of bylaw, DHCD cares about the residential piece; that is boilerplate and state should be satisfied; the rest of the bylaw is Wellesley-specific.

A question was asked whether the statute adopts the 40R district generally and if 5 years from now the Town wants another district, then the specifics for that district will need to be spelled out: Yes.

A question was asked why the development agreement does not specifically discuss the hotel and whether the impacts of the hotel will be handled through the Project of Significant Impact (PSI) process: Yes.

A question was asked whether there is a risk that the state Department of Transportation (DOT) won't agree with the provisions that require their approval/cooperation (e.g., water/sewer infrastructure upgrades, traffic, slip lane on Route 9): DOT has reviewed preliminary infrastructure plans; the infrastructure would be under Route 9 and the ramp to Route 128; Phase 1 will not trigger the slip lane, that would be part of a subsequent phase; Town can only request DOT approval. A follow-up comment was made that traffic has been a significant concern throughout this project.

- Traffic studies were done and reviewed with the Town's traffic consultant
 - An increase of 17 or 18 trips at peak times in the morning and 50 to 55 trips in the evening are projected; this is not a significant impact
 - There has been discussion and focus on John Hancock's obligation to fix historical issues related to this site versus the impact on future use
 - John Hancock has been willing to spend money on the feasibility of a slip lane; once 25% of the design is complete, can go forward for approval for the slip lane

A comment was made that traffic has been an ongoing problem in this area. There was a discussion of the current traffic conditions and issues. A comment was made that the Town needs to look at this area and traffic; safety value of having continued police detail under any proposed new arrangement will need to be evaluated.

- Sustainability efforts were reviewed; environmental strategies are an attachment to the development agreement; continue to be evaluated with the developer to meet the standards of the Town

A question was asked whether previously-expressed concerns about emergency access to the site had been resolved: Both the Fire Chief and Police Chief are satisfied with the way emergency access is currently configured; don't want to cut across Route 9; owners have agreed to improve communication equipment for the site because there are some dead areas.

There was a question about the specifics of accessing the Elliot Street MBTA stop.

A question was asked about sewer and water infrastructure upgrades: The owner has agreed to water and sewer work; don't think that Phase I would have triggered need for those, but it is best practices to get them done early, so Town negotiated for those; Town will not pay for its share of work until it receives incentive payments from the DHCD.

A question was asked if there is a positive tax impact in Phase 1, with the 350 units being built but one office building coming down: Yes. There are several financial payments for this project – the initial DHCD payment after the zoning change; the building permit with a significant fee from the units; and the additional DHCD bonus payments. Once construction commences, there will be incremental payments as construction proceeds. When the certificate of occupancy is granted, the Town will gain the revenue of the fully assessed value of the property.

A question was asked as to when new growth is calculated (i.e., when permitted or when built).

- The safe harbor provisions work in stages with the site plan approval for SHI credit; the project's benefits will be maximized along the way to get the optimal value
 - The addition of the 350 units to the SHI gives the Town a safe harbor; allows the Town thereafter to create affordable housing at its own discretion and using its own standards

A question was asked as to how long the safe harbor will last: The 2020 census will look at the number of housing units overall in Town and recalculate the goal; that is why the Town wants to be over the 10% SHI with this project.

A question was asked about the section of the 40R bylaw that deals specifically with WOP and how the dimensional/parking requirements included there compare to the Town's ordinary requirements.

A question was asked about the traffic study and whether the anticipated increase of 17 vehicles in the morning was based on actual use, since the building to be torn down is currently vacant: It is based on use as a generic office and not on current occupancy.

A question was asked whether there is any new information on the impact of the project on the schools: The School Committee (SC) has no concerns about the schools being able to absorb any increase in students. Hanover has fairly accurate data based on their experiences; there should actually be fewer students than currently projected. As part of the fiscal analysis of the 350 units, 140 of the units will be 2 and 3-bedroom units (primarily 2 BR) and using the multiplier of 0.46 school-aged children per multi-family unit, additional students are projected in Phase 1 as follows: 35 students grades K-5; 12 students grades 5-8; 13 students grades 9-12. This is in the fiscal analysis and is available for review. Additionally, there is a general effort in Town to increase ridership on buses.

A question was asked if there has been discussion about expanding or extending the path along the Charles River: Connecting the trail activities is part of the environmental aspect to be studied. A comment was made that STM would like to hear about this; having photos of the site for STM would be helpful.

Peter Tamm, Goulston and Storrs (representing John Hancock), presented. John Hancock views themselves as stewards of the property; views anything they do on the property with a goal towards improvement and enhancement of the existing conditions. This is true with respect to all aspects of the master plan. John Hancock and Hanover have exceptional track records with sustainability and recreation; commitment to continue to engage the community in this area. The fiscal impact analysis shows a long-term significant impact in advancing housing goals and a substantial fiscal impact on a long-term basis. The project will have costs (e.g., additional Town staff in the form of Fire, Police and teachers), but these have been assessed and are reflected in the fiscal impact analysis; have engaged with every relevant Town staff. On an annual gross basis, there will be a \$1.5 million net benefit to the Town. This is a very collaborative effort and is viewed as a public-private partnership.

8:25 p.m. Discussion of other potential items for May 13 Special Town Meeting

- Town has been in negotiations with developer of Delanson Circle and 148 Weston Road to see if could come up with projects that would supersede the existing 40B applications at those sites
 - Delanson Circle was originally proposed for 90 units; now proposed to be 35 condo units, with two properties on Hollis Street that will ultimately become four affordable units
 - 148 Weston Road was originally proposed for 55 units; now proposed to be 25 condo units and, in the future, two affordable units at 140 Weston Road after the termination of a life estate
- Town and developer have reached preliminary agreement regarding Delanson Circle; awaiting separate agreement between the developer and the College Heights neighbors, which is expected at the end of this week
 - Ultimately it will be the Town's agreement with the developer, but having an agreement with the neighbors is good because it provides an opportunity to vet issues and resolve them
- Next step is zoning modifications
 - Existing Residential Overlay District (RIO) allowed Waterstone development to occur
 - Want to broaden that to apply to the Delanson/Hollis parcels and the Weston Road parcels
 - For Weston Road, would extend the overlay beyond the current development plans (i.e., south to the Municipal Light Plant properties on Weston Road)
 - Planning Board has been working over the past several years to eliminate split zoning
 - Delanson currently split between general residence and single family; idea is to rezone to general residence
 - For Weston Road properties, 140/144/148 are currently single residence but properties to south are general residence; will bring all to general residence
 - There will also need to be changes to current yard regulations to allow frontage exemption on Weston Road; will be exempting frontage for general residence within overlay district
 - Through all of these changes, trying not to make Waterstone non-conforming
 - Accompanying zoning map changes for some of these items

A question was asked when Advisory can expect to see a broad overview of the projects: At the next meeting of Advisory (April 3) and at Advisory's public hearing (April 11); will also be discussed at Planning Board public zoning hearing on April 10.

A question was asked if there would be any traffic-related changes to Weston Road as a result of all this: There are no proposed changes to the road layout; there might be pedestrian changes, and the light will be evaluated. Traffic on Weston Road is an ongoing concern. The developer will need to go through PSI/permitting; they will have to do mitigation work.

A question was asked about the proposed changes to the current RIO provisions in the Zoning Bylaw (e.g., purposes, minimum lot size, etc.) and whether anything important is being undone to make these provisions work for these two specific projects: Development always works serially; Town is trying to make this provision more broadly applicable so that it can be used in other areas of Town; these modifications are a tool that can be applied elsewhere; Delanson will ultimately become the endcap to the Linden Square corridor. A follow-up question was asked whether we have to make a special district for 148 Weston Road or Delanson, as we do for WOP within the new 40R zoning bylaw: No.

8:40 p.m. Administrative/Liaison Reports

Department of Public Works/Bill Maynard

- The bids for Sprague turf fields (ATM Article 22) have been received
- \$200,000 increase in costs (now \$1.2 million vs. original \$1.0 million)
- Includes contingency that hopefully will not be needed
- Vendors familiar with the site

Mental Health Services Initiative

- BOS may bring the mental health package, including a job description, to STM
- There was discussion on other information the BOS/Board of Health (BOH) should provide
 - Reporting structure – to whom the new licensed clinical social worker (LICSW) position reports and how it will be managed
 - Making certain of the coordination of all the departments that touch mental health
 - Operational outline – how will it be put into action, allocation of time (coordinating and managing interns vs. providing actual services)
- Concerns were raised about the decentralized Town organizational structure and how these services will be coordinated across departments; how authority will be established to give the LICSW the opportunity to oversee staffs of other departments
 - The Town could provide all kinds of services and not meet the needs of residents
 - Advisory concerns last year, as now, are to make sure that Town is adequately steering people to services available through other agencies and helping coordinate

A question was asked about the funding of the shared position with Weston and what would happen if Weston didn't approve its half of the position.

8:50 p.m. Adjourn

Mary Gard made and Andrea Ward seconded a motion to adjourn. The motion passed unanimously.

Documents Reviewed During the Meeting

- *Wellesley Office Park Development Agreement Annotated*, March 25, 2019
- *Wellesley Office Park 40R Smart Growth Planning*, Power Point Presentation to Advisory, March 27, 2019
- *Redlined Existing RIO to 3.26.19 Version*
- *Amendments to RIO 3-26.19*