

**River Road Study Committee
Finance Subcommittee
March 14, 2016**



MEETING NOTES

Committee Members
Select Chair Ben Franco
Dick Benka
Alan Christ
Chris Dempsey
Steve Heikin
Brian Hochleutner
Yvette Johnson
Ken Lewis
Wendy Machmuller
Hugh Mattison
Tom Nally
Marilyn Newman
Mariah Nobrega
Charles Osborne
Linda Pehlke
Bill Reyelt
Daniel Weingart

Subcommittee Members Present: Ben Franco, Brian Hochleutner, Charles Osborne, Chris Dempsey, Ken Lewis

Guests: Betsy Dewitt, Dan Lyons, Hugh Mattison

Materials: Agenda, print outs of preliminary massing concepts from SketchUp, discussion draft of preliminary development pro forma and supporting documents

Committee members met from 7:00 to 9:15 pm

1. Review Subcommittee Framework

- Andy Martineau opened the meeting by discussing some of the progress the other subcommittees have made to take including exploration of different mixed use scenarios, public realm improvements and different massing concepts. Andy stated that the primary task of this subcommittee is to ground those mixed use scenarios and massing concepts in some financial reality by providing some preliminary financial feasibility analysis. The work of this subcommittee will be a critical element in the process of narrowing down 3-5 massing and use scenarios to be further vetted by an independent financial consultant.

Comments/Questions:

- The Committee needs to understand what is possible and if there is enough critical mass for the proposed scenarios to be feasible
- We have a number of small parcels so assembly is key. Assembly will also be challenging so we need to make sure the scenarios the Committee pursues further are realistic from a financial and market feasibility perspective

2. Review and Discuss Opportunities and Constraints

- Ken Lewis provided an overview of a preliminary assessment and analysis he completed for the district as a whole, including qualitative and quantitative variables related to the proposed uses the Committee has decided to explore further. The analysis was completed from the perspective of a potential developer.
- Ken suggested that the issue of parking in a tight urban area such as this one needs to be solved first and that the Committee is working towards backing into numbers

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(parking, height, min lot size) that support redevelopment that is financially feasible at a scale that is appropriate for the area. Ken also noted that the market is currently experiencing historically low interest rates and that will likely change over time.

- Generally, all of the uses proposed by the Committee share many of the same positive qualities, including proximity to transit, LMA, universities, residential areas and road access. In turn, each of the proposed uses also shares many of the same negative qualities, including expensive structured parking (likely required), high land costs, and higher rents as a result of new construction, physically challenging parcels and competition from pending development projects in the area.

Questions/Comments:

- Redevelopment of individual parcels is not feasible/desirable
- Medical office (ambulatory/specialty services) seems like a logical use given the proximity to the LMA and the pending Brookline Place redevelopment. It also works better with constrained floor plates because you do not need to have center core elevators
- Making a project smaller may not be realistic given the land costs
- Zoning incentives/bonuses could be offered for certain uses and other items like zip car
- Could some form of student housing via a public/private partnership work here?
- It is not our job to analyze the feasibility of the Claremont proposal
- Above grade parking limits retail space.
- Given the proximity to transit, we may be able to get away with a lower parking ratio
- Residential may be a likely scenario given the challenges around fitting parking on the site
- Could micro units work here instead of office?

3. Discussion of Next Steps for Further Site Analysis

- Andy Martineau stated that the preliminary work done by this Committee will be used to inform Committee decisions with respect to the building envelope and use scenarios to be explored by an independent real estate consultant.

Next Steps for Items to be Explored Further:

- Ken to continue working on pro formas including an age restricted residential scenario based on area comps and modeling by the Architecture subcommittee
- Further understand impact of pedestrian portals with respect to floor plate and parking efficiency
- Feasibility of floor heights and depths generally
- Impact of additional setbacks on feasibility
- Understanding of tradeoffs between taller structures and desired uses
- Feasibility of locating even minimal parking on the site