

River Road Study Committee

April 6, 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 Olson Pehlke
Bill Reyelt
Daniel Weingart

Committee Members Present: Ben Franco, Dick Benka, Alan Christ, Steve Heikin, Brian Hochleutner, Yvette Johnson, Ken Lewis, Wendy Machmuller, Hugh Mattison, Tom Nally, Marilyn Newman, Mariah Nobrega, Charles Osborne, Linda Olson Pehlke, Bill Reyelt, *Charles Osborne, Steve Heikin*

Committee Members Absent: Chris Dempsey

Staff: Andy Martineau

Guests: Several residents were present

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

Materials:, draft minutes, agenda, massing scenario PowerPoint, massing scenario matrix, preliminary pro forma and building program PowerPoint

1. Review and Approve Meeting Minutes (skipped)

2. Presentation and Discussion of Preliminary Massing Scenarios

- Andy Martineau stated that both the architecture and finance subcommittees agreed on a goal lot size of 150 x 80 and a goal floor plate size of 10-12K, which was deemed to be a sufficient starting point for assembling parcels and creating an efficient floor plate for the uses the Committee is exploring.
- Andy stated that the architecture committee modeled a few different scenarios based on the above criteria and that further analysis revealed that structured parking in these scenarios is not feasible because the lots are not wide enough to allow for the necessary ramping.
- Alan Christ stated that the sites are physically not wide enough for the ramping necessary for structured parking and that either a shared ramp or longer parcel may be needed to allow for more efficient parking layout. The parking ramp is assumed to be 70' long by 24' wide.
- Andy stated that Alan Christ took the initiative to model some additional connected building scenarios to illustrate the challenges of fitting structured parking on the site as well as the tradeoffs including covering a potential park/open space and creating longer, taller structures that may not be desirable. One scenario includes a connected building in the middle of the district. The other includes a wider structure at the northern end of the district and a small structure next to the proposed hotel that shares the hotel ramp for parking access.

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- Andy stated that the physical constraints of the parcels may require a developer to assemble more of them in order to create enough space to build anything that would be financially viable and that can accommodate parking at a reduced ratio. The shared ramp scenario is an example of a creative solution for parking access.

Committee Comments/Questions:

- Pam McKinney who is the real estate financial consultant that the town has hired will help inform our discussion around how much parking is needed for a project to be viable. She was instrumental with the Red Cab process and helping us lower the parking ratio there in addition to determining how big a project might need to be so that it is viable.
- Assembling more parcels will allow for larger floor plates, which will give any developer more flexibility.
- Parking elevators might also be a solution for more efficient parking. It will be more expensive and perhaps cost prohibitive
- Why are there two entrances to the parking in the connected building scenario?
- Having an entrance and an exit allows for a more efficient parking layout. It is not necessarily desirable, but that is one of the tradeoffs. This is just an exercise for showing the challenges with structured parking here.
- The storm water easement in the middle of the district should be preserved as an amenity. Would be possible to build over it, without negatively impacting the space?
- Per DPW, the easement cannot be built on. It could be built over, but would require a min of 20' of clearance in the event they needed to get equipment in there for maintenance.
- Parking maximums should be explored instead of using parking minimum, which is what the town has always done.
- A parking maximum would likely be supported by all if it did not preclude a project from being financially viable.
- There are a lot of ways to deal with parking including providing incentives for reducing it, sharing it etc.
- We could decide on a maximum size for the buildings and include the parking in the FAR. This would force developers to make the decisions around the tradeoffs between usable space and parking.
- There are also creative ways to design structured parking so that it is not ugly
- The amount of parking being modeled is what is driving the size of the massing. We should explore using parking maximums that are reasonable and let developers figure out a way to make a project work.
- The connected building scenario would only work if there was a single developer that owned all of the sites.
- Could the hotel ramp be used as a shared ramp?

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- It is physically possible and would require an agreement between Claremont and whoever developed the neighboring parcels.
- Some of the parking demand could be met by shortening the length of time of the on-street parking meters on Brookline Ave. and possibly allowing overnight parking in the 2 Brookline Place garage.
- It was pointed out that the 2 BP garage does not yet exist.

3. Presentation and Discussion of Preliminary Financial Feasibility Analyses

- Ken Lewis provided an overview of preliminary financial analyses he completed for a medical office/retail use and an age restricted residential/retail use.
- Ken observed that the pro forma for a medical office building with ground floor retail is “tight” meaning that land costs and development costs for a project of a certain size may yield an acceptable return on investment, but there is little margin for error.
- Ken noted that both redevelopment scenarios could be feasible and that pre-leasing space, especially to a known institution or other credit tenant would help alleviate some of the pressures on a developer's pro forma and financing.
- Ken's presentation noted that the “Urban Island” scenario is not conducive to Neighborhood Retail.
- The parking assumptions are:

Hotel	66
Medical office (46,000 sf)	75
Residential (63 units)	<u>62</u>
Total	203
- Each parking space is assumed to be 350 square feet.
- Income from garage parking is assumed to be \$325/month.

Committee Questions/Comments:

- Are the dimensions for the building you have done the financial modeling for the minimum requirements a developer might strive for to have a feasible project?
- These are the minimum requirements based on assumptions made about a premium for land costs, the market for the proposed uses and reduced parking requirements. Additional analysis is needed to come up with more concrete numbers and zoning criteria.
- What is the payback for one floor of parking?
- We could adjust the numbers to account for that. No developer wants to build more parking than they have to especially, in an area like this with high land costs and challenging physical constraints.
- Are ground floor setbacks incorporated into the financial analysis?
- Yes there is a SF loss factor included

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- For Brookline Ave., the sidewalk width is 7', and the setback is 8'.
- Is the senior housing scenario all rental? Yes
- We should examine a range of different building envelopes including a taller scenario.
- There is only so much massing and height that will be acceptable in the community. The Committee is working towards identifying an appropriate scale that allows for a project to be feasible.
- There is a clear line of financial feasibility and the Committee will identify it with the help of the consultant.
- Can we ask the consultant to look at additional uses beyond what we have been discussing like shared workspace and live/work space?
- The consultant should also evaluate the feasibility of the hotel proposal
- 1 space per 1K SF is pushing the envelope for a minimum parking requirement for medical office
- Parking could be supplemented through shared parking arrangements
- There is likely going to be a demand for age restricted/specific housing in this area based on changing demographics
- It will be important for the Committee to advance the process and zoning and to work with the developer. There was a similar situation in my neighborhood where a developer had a commercial proposal that did not have neighborhood support and it is now an age restricted 40B proposal.
- Were public benefits included in the pro forma?
- There is a 1% allowance for public benefit incentives included.
- The Committee should not let their judgement substitute entirely for the judgement of the market
- My firm works on similar types of projects in similar areas and many of those projects have reduced parking ratios, but they are not 0. Whether a max or a min, there still needs to be some parking.
- There were several comments made regarding the amount of square feet per parking space being taken up and the implications, including lost tax revenue and leasable space.

VOTE: The Committee voted (16-0 with one abstention) to advance scenario 2A (shared hotel ramp) as the starting point for a massing envelope to be further evaluated by the real estate financial consultant.

Public Comments Questions:

- This area is on the edge of an important park/green space and the Committee should be mindful of any impacts development may have.

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- These scenarios seem challenging largely because of the parking issues. The Committee should explore a parking maximum and let the market and developers figure out how to make it work.
- The Committee should also consider micro units and how to design zoning for less parking
- The Committee should evaluate the lost revenue created by providing all that parking vs. more usable space.
- The Town is in a position to determine parking allowed. What is the forgone tax revenue from the use of 578 sf per parking space?
- Public benefits need to be considered in the financial analysis
- The fully-available public transit should be a driver. Parking should not be a driving force, with shuttles available from Logan.