

**COMMUNITY PRESERVATION COMMITTEE
TOWN OF NEEDHAM, MASSACHUSETTS**

**Minutes of Meeting
February 11, 2015**

PRESENT: Lita Young - Chair, Gary Crossen – Vice Chair, Robert Boder, Sam Bass Warner, Mark Gluesing, Peter Oehlkers, Reg Foster, Mike Retzky

STAFF: Patricia Carey, Staff Liaison
Kristen Wright, Recording Secretary

GUESTS: Connie Barr, School Committee Representative,
Cynthia Chaston, Chairman of the Park and Recreation Commission
Matthew Varrell, Director of Conservation
Hank Haff, Public Facilities – Construction
Robyn Fink, Assistant Director of Park and Recreation
Lucio Trabucco, Architect
Jon Juhl, Development Consultant
Rich Gatto, Gatto Family LTD Partnership
Paul Siegenthaler, Town Meeting Member

Ms. Young called the meeting to order at 7:30 PM in the Highland Room at Town Hall.

Chairman's Updates: *Moved to later in the meeting.*

Discussion with Proponents

FY2015-1 Rosemary Pool – Liaison – Gary Crossen

This request is for \$1,000,000 design funds for a full rehabilitation of the Rosemary Pool Complex, requested under Open Space and Recreation.

Mr. Crossen introduced Cynthia Chaston, Chairman of Park and Recreation and Hank Haff, the project manager from Public Facilities-Construction.. Mr. Crossen briefly reviewed the proposed project including the amount of funding they are seeking for the design phase of this project, the project scope, reminding everyone that the DEP permit expires in September of 2016, and that the applicants will apply separately for construction funding. Mrs. Chaston stated that the Park and Recreation Commission completed an extensive feasibility study with Weston & Sampson that resulted in four different options. After holding several public meetings, the community favored keeping the community pool at the Rosemary location, the current size of the pool, having a building that would house year-round program space, improving the parking lot, and incorporating the trail around Rosemary Lake into the space. The exact location and final size of the pool, either in the existing pool space or built into the hillside, would be determined in the design phase. Mr. Haff stated that the Town would be working as the OPM for this project and would put out a bid for the designer. Weston & Sampson, the consultant for the feasibility study, would not be precluded from the bid. The design phase also includes applying for permits which will include local, state and possibly federal permitting.

Mr. Haff stated that the feasibility study was reviewed throughout the process at well-attended public meetings, and the report widely distributed. The bidding process will be overseen by the PPBC and the Park and Recreation Commission. Mr. Boder asked why the pool was proposed to be so large. Mrs. Chaston stated that at the public meetings, a smaller pool was presented as option 2 in the feasibility study, and the public did not want a smaller pool. The public favored a pool approximately the same size of the current pool. Park and Recreation discussed the average community pool size with the consultant and found that 16,000 square feet is the average size, therefore options 3 and 4, which the public favored, met the average pool size. Mr. Boder asked why the feasibility study did not include regulation lap lanes. Ms. Carey stated that Rosemary Pool is a recreational site and not an athletic facility. Mr. Gluesing asked if the project would increase the operational costs. Ms. Carey stated that there would not be a significant change. Mrs. Chaston added that the new pool would be more efficient. Mr. Gluesing asked what changes would be made if the pool is kept partially in the lake. Mr. Haff stated that the lake would no longer need to be drained annually for maintenance. Mr. Boder asked about the size of the pool decks and the regard to safety concerns. Mrs. Chaston stated that it would be looked into during the design phase. Ms. Young asked how the funding would be spent. Mr. Haff stated that the funding would be used to create schematics and construction documents, for bidding, permitting fees, surveying, and storm water retention design in the parking lot since it is near a conservation area. Mr. Warner shared his concerns with this application especially that alternate sites had not been explored and ended by stating that the application submitted is incomplete. His statement can be found as *Appendix A*. Mrs. Chaston stated that when the public was asked about Rosemary, the majority wanted to leave the pool at the Rosemary site for its central location and accessibility. Mr. Boder asked about the bathhouse. Ms. Carey explained that state code did not require separate facilities at an outdoor location. Ms. Young asked how many families in Needham currently utilize the pool. Ms. Carey stated that approximately 400 families use Rosemary Pool annually. Ms. Young asked that once the new pool was constructed, if the lake would be refilled and then not drained again. Ms. Carey stated that the lake could be drained in the fall if there was an occasional need, which is what the DEP prefers, but not in the Spring, which is currently required to maintain the pool. Mr. Boder asked how much they plan to spend on the water to fill the pool annually since the current structure receives its water from the lake. Mr. Haff stated that it would depend on the final design of the project. Mr. Boder stated again that he feels that by changing the dimensions of the pool, there would be a large cost savings and will require less overall maintenance. Mr. Gluesing suggested that, if funding was approved, that a representative of the CPC meets with the proponents during the design phase, as was done for the Town Hall project. Ms. Young asked about having a separate 'kiddie' pool. Mrs. Chaston stated the concepts didn't show that, but it could be reviewed during design. Mr. Foster asked about the cost of construction, and the lifespan of the pool. The actual estimate will need to be determined during the design phase, but it is likely in the \$12 million range for a pool that would likely last 40-50 years. Ms. Carey noted that the whole project is not CPA eligible. The outdoor pool, parking, and functions on the building related to the pool are eligible. Other parts of the project will require a different funding source.

FY2015-8 Chapel Village at Needham Center – Liaison – Mike Retzky

This request is for \$400,000 design funds for the proposed new mixed-use building in Needham Center including affordable rental units, requested under Community Housing.

Mr. Retzky reached out to the proponent to discuss the questions asked by the CPC and their answers were provided to the committee (*See Appendix B*). Ms. Young introduced Rich Gatto, Lucio Trabucco and Jon Juhl who represent the Chapel Village project. Mr. Gatto provided the history of 81-85 Chapel Street stating that it has been in the Gatto family since the 1960s and he has been working with the Planning Department staff to determine what can be built there. He is proposing a mix use building with retail tenants on the lower level and eight, two-story rental town houses above them. Two of the eight units would be affordable but all eight would count towards the Town's affordable housing count. Ms. Young asked if the funding was needed because of the affordable element. Mr. Gatto answered yes, that the affordable element was how he was advised to design the building and to achieve this, he would need additional funding. Mr. Foster added that this type of project is called a friendly 40B, where the Town partners with the builder to achieve a Town goal while allowing the builder to build in zones that may be restricted by Town by-laws. Mr. Juhl discussed a few for-profit projects he'd worked on in different towns that received CPC funding. Mr. Trabucco described the design of the space including the retail space and underground parking. Mr. Boder asked how many bedrooms each unit would have and Mr. Trabucco answered that there would be two bedrooms per unit. Mr. Boder asked if one parking space per unit was sufficient. Mr. Juhl stated that being near the commuter rail station was a big component but if there was a second car, they would have to park it elsewhere. Mr. Gluesing added that the zoning-by-law doesn't require two spaces per unit. Ms. Young asked since it was near the commuter rail station, why providing parking was a part of the project. Mr. Gatto stated that the Town advised them to provide a plan with some parking. Mr. Gluesing asked if the retail spaces would help support the affordable units. Mr. Gatto stated that only the housing portion of the project would support the affordable units. Mr. Gluesing asked if they were applying for other public funds. Mr. Gatto stated that they have applied for CPC funding and the rest was planned to be funded privately. Mr. Warner asked what size the units would be. Mr. Trabucco answered that the units are designed to be 1,400 square feet. Mr. Boder asked what kind of retail tenants they would be looking for in the retail space. Mr. Gatto stated that the current tenants may be interested in staying and that they have been advised to add an anchor tenant. Ms. Young shared feedback from the Selectmen's meeting earlier in the week, including their concern about the amount of funding requested for two units, that CPA monies haven't been used in for-profit projects in Needham, and due to the proximity of the commuter rail, the necessity of including parking in the project scope. Ms. Young also stated that the Selectmen felt they had several larger scale affordable housing projects coming into the Town. Mr. Boder asked how long the affordable units would remain affordable. Mr. Gatto stated it would be in perpetuity, and Mr. Juhl added that the units would be monitored by the state and that even if the property was sold, the restrictions would remain. Mr. Gluesing asked if the project could be completed with eight market units and Mr. Gatto replied that it is a non-conforming lot so it could not. Mr. Foster asked if the project could be completed without CPA funding or if the project could be completed with more affordable units. Mr. Gatto stated that they could look for ways to change the plan to cut costs. Mr. Juhl added that the project couldn't add more affordable units since the market units must support the equity loan.

Proposal Review: There was no additional information provided on the following projects. Proponents will all attend the February 25th meeting.

FY2015-2 Newman Athletic Fields – Liaisons – Mark Gluesing and Peter Oehlkers

FY2015-3 **Eastman Conservation Area – Liaisons – Mark Gluesing and Peter Oehlkers**
FY2015-4 **Mills Field Park Improvements – Liaison – Reg Foster**
FY2015-5 **Ridge Hill – Student Conservation Association – Liaisons – Sam Bass Warner and Robert Boder**
FY2015-6 **Canoe Launch Improvements – Liaisons – Sam Bass Warner and Robert Boder**
FY2015-7 **Rail Trail Improvements – Liaisons – Sam Bass Warner and Robert Boder**

Chairman's Updates:

Moved from earlier in the agenda.

Ms. Young, Mr. Crossen and Ms. Carey attended the Board of Selectmen's meeting on Tuesday. The Selectmen expressed support for all projects, except for reservations they raised regarding the Chapel Village request.

Next Steps:

Ms. Young reminded the members that the next meeting will be Wednesday, February 25th and that the remaining proponents would be attending.

Mr. Warner suggested a parcel of land off Linden Street that he proposed could be purchased by Park and Recreation as a neighborhood park. It is currently under review as access to a two home development between Oak Street and Linden Street. He still needs to discuss his idea with the Park and Recreation Commission.

Minutes: January 28, 2015: Mr. Gluesing requested that the third line under proposal FY-2015-3 be changed to 'The path would be organically designed, and would be low to the water, so it can be accessed by users.' replacing the word 'near'. Mr. Crossen made a motion to approve the minutes of the January 28, 2015 meeting, as amended, and the motion was seconded by Mr. Retzky. The amended minutes were approved unanimously.

Adjournment: Mr. Crossen made a motion to adjourn the meeting. Mr. Warner seconded the motion and the meeting adjourned at 9:38 PM.

Respectfully submitted,

Kristen Wright
Recording Secretary

Incomplete Application

This application to obtain design funds for a swimming pool at Rosemary Lake is incomplete and should be returned to the applicants on that basis.

I will try to recall the steps that brought the application to us. Patty, please correct me if my memory is mistaken.

A year ago Park & Rec. hired an engineering firm to examine possibilities for pool construction at Rosemary. Several alternatives were suggested: outdoor and indoor pools, etc. The cost of that study was.....? In the spring a report on the study was made public. At that meeting someone asked the Chairman if any other sites had been explored. He replied, "No," just Rosemary.

That summer the committee held a series of public hearings. The issue seemed mostly to turn around those who wanted a community center or an indoor pool as well as an outdoor one. The public suggested Ridge Hill and the Nike Site as possible alternative locations. Park and Rec. was unable to guide the public in respect to other potential sites because its information was limited to the Rosemary study.

In July, I recall, I phoned the Carol Johnson landscape firm and asked for a reference to a pool firm. She gave me one. I recall they were building a pool for Belmont. However it may have been, I asked a man at that firm how much would a design-build of a new Olympic pool, wading pool, bathhouse and parking lot cost if located in a green field site. He estimated the works to total 5.5 or maybe 6 million dollars. To that I added 1.8 million for the cost to remove all the existing stuff at Rosemary if a new site were chosen. I wrote out the estimate, firm names and addresses, etc. and mailed them all to the Chairman of Park & Rec. I also suggested some sites in the Town Forest off High Rock and at the Horsford end of the forest. I received no reply.

In the fall there was a hearing for town committees on the town's capital planning budget. At that time I asked why no other sites had been explored. My question was ignored and discussion refused. Later the head of PPBC came up to me and told me the pool issue "has been decided."

So here we are with an application for 1 million for design funds plus an estimate of 10.6 million for construction and the cost of the first study. Say altogether \$12 millions, or 4 millions more than the estimate I received for an alternative site.

I think this committee has high standards for its applicants. In this case the necessary homework has not been completed. I hope you will join me in a decision to return this request to the applicant.

Sam Bass Warner

February 11, 2015

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(781)-444-0503

To: Michael Retzky
Needham Community Preservation Committee

From: Richard Gatto/ Claudia Gatto

RE: RESPONSE TO NEEDHAM CPC QUESTIONS
CHAPEL VILLAGE -NEEDHAM

Date: January 30, 2015

Below you will find responses to your questions pertaining to the redevelopment of 81-85 Chapel Street into an affordable mixed-use development in downtown Needham:

1. Will all of these (8) units be strictly rental apartments or condominiums?

As proposed, all of the housing units will be rental apartments. This decision was made after meeting with the Town, with the understanding that creating rental units met the needs of the Town and by doing so all eight units could be counted towards Needham's 10% affordable housing goal. The need for rental housing in the downtown is a priority and the Site's location across from the Needham Center Commuter Station lends itself well to Smart Growth principles.

2. Is this a for-profit entity?

Yes. This project will be developed by a for-profit entity.

3. Why are only two units designated affordable under state guidelines? Was consideration given to allowing more units to be affordable? Expand on this consideration:

Two of the eight units will be affordable to residents at 80% of the Boston median income or below. This meets the Local Initiative Program (LIP) eligibility guidelines of a minimum of 25% of the total number of units required to be affordable in order to be eligible as a Chapter 40B project. Given the high cost of development, we could not increase the number of affordable units within the development and still meet the needs of the Town. In addition to the development of the housing units, we are proposing to develop approximately 4200 square feet of first floor commercial space as well as 10 underground parking spaces to accommodate the needs of the housing unit residents. We believe that creating this mixed-use project with first floor commercial space and underground parking in downtown Needham best meets the needs of the Town, while providing a high quality development within this section of Needham.

4. How do you propose these units will stay affordable into perpetuity?

In order to secure a Comprehensive Permit for this project under Chapter 40B, the Chapel Village Apartment project will be applying for approval under the Commonwealth's Local Initiative Program (LIP). Under LIP requirements we must enter into an Affordability Restriction Agreement setting aside the two affordable housing units into perpetuity. The Affordability Restriction Agreement will be required to be executed and recorded in the Registry of Deeds as part of securing LIP approval of the project.

5. What is the funding for? How will the \$400K be used or applied? What will the square footage cost be for two affordable units compared to six market units?

The \$400K in funding will be used to develop the housing and underground parking components of the project as all of the units will be counted towards the Town's affordable housing stock. As proposed, the \$400K will be used to cover predevelopment, general development (architectural, engineering, etc...) as well as construction costs associated with the development of this Chapter 40B project. Per Massachusetts Department of Housing and Community (DHCD) requirements, the affordable units must be designed and developed with the same quality materials and workmanship as other units within the development so that they are indistinguishable. Therefore, other than designation as affordable, these units will be constructed to specifications that are identical to those of other units within the development. The average square foot cost of each housing unit is \$286.67 per square foot or \$422,130 per unit.

6. Why Now?

The property at 81-85 Chapel Street has been in the Gatto family for decades. Over the past two years, we have been exploring ways to redevelop 81-85 Chapel Street to provide a mixed-use building that would maximize this site, which is currently under utilized. As a former member of the Needham Housing Authority Board of Commissioners, and former Director of the non-profit housing corporation Needham Opportunities Inc, I have been involved in the creation of affordable housing in Needham for many years. Discussions with the Needham Economic Development and Planning Departments, and with representatives of the Building Department, ultimately determined that we were limited as to what could be developed on our site. The Planning Department recommended we pursue securing a comprehensive permit under Chapter 40B to achieve our desire to create a mixed-use development for this property, and members of the Board of Selectmen indicated that they would likely consider the application a "friendly 40-B" to be pursued through the Local Initiative Program (LIP).

7. Why not renovate business only?

As noted above, the existing 81-85 Chapel Street site is under utilized and in need of redevelopment. In meetings with the Town, the Town promoted the re-development of this property and supported our proposal to redevelop the site into a mixed-use development in line with the Town's Master Development Plan for this area of downtown Needham.

8. How will the parking work? How many parking spaces are projected for the building?
How many parking spaces will there be allotted for each unit of the eight apartments?

As proposed, Chapel Village will have 10 parking spaces located under the new building. All of the parking spaces will be allocated to the housing unit component of the building. Each apartment will have a parking space assigned to it. The remaining two parking spaces will be for visitors/guests of residential units. No parking spaces will be designated for commercial space. Parking for commercial units will be available along Chapel Street as well as in the Town-owned parking lot located adjacent to the new building. Employees who work in the building will be encouraged to ride the commuter train or obtain permits for the designated permit parking areas nearby.

9. Have they done an analysis on the actual projected increase in foot traffic and impact on businesses?

No analysis on the projected increase in foot traffic and impact on businesses has been done to date. However, this mixed-use project is a small scale project that will increase foot traffic over what currently exists through

creation of housing units and development of first floor commercial space that is more easily accessible to future customers. The existing building has four commercial tenants. It is anticipated that some of these existing commercial tenants will re-locate to the new commercial space. The creation of eight units of housing will only benefit local businesses, a number of which cater directly to customers living in the downtown. The creation of the mixed-use development's like Chapel Village in downtown Needham is being encouraged and promoted by the Town in order to benefit and strengthen downtown businesses and its size is typical of the types of developments that will continue to be developed in the Needham downtown in the future.

10. Could the \$400K being sought be granted in the form of a second mortgage so we'd get CPC funds back?
Unfortunately, the project can't support re-payment of the \$400K given the high cost of development, lender requirements and Town design requirements in making the project financially feasible.
11. What is the status of the project at this time? Has it met the items listed in the current timeline outlined in the proposal? Have you met with DRB, Planning, ZBA?
As the Needham Community Preservation funds are a critical component in the development of this affordable mixed-use development, we have been awaiting word of the Community Preservation Committee's support of CPC funds in order to continue to move forward. The Chapel Village Development Team has talked with representatives of the Planning Department, Engineering Department and Building Department and reviewed preliminary plans with them as well as secured initial design and engineering recommendations which we are in the process of incorporating. We have not yet met with the Design Review Board or the Zoning Board of Appeals. We are currently assembling documentation for Site Eligibility letter approval from the Massachusetts Department of Housing and Community Development (DHCD) under the LIP program, which is required to be secured prior to submitting to the Zoning Board of Appeals. The development tasks noted in the Development Schedule created in November has not changed significantly. We can provide an updated development schedule with revised dates if requested.
12. Can we see preliminary plans that are developed to date?
Yes, we can provide updated preliminary plans for your review
13. What is the status of other financing?
The development team has been reviewing plans for the redevelopment of 81-85 Chapel Street with a number of lenders who have expressed interest in financing this project. We believe if provided with CPC funds, we can secure 40B approval by this summer and finalize financing by end of 2015. We would anticipate commencing construction shortly thereafter.

On behalf of the Chapel Village Development Team, we look forward to working with the Needham Community Preservation Committee on the development of this affordable mixed-use development in downtown Needham. We would be more than happy to meet with you to discuss in greater detail the development of the Chapel Village project at your convenience.