

Advisory Committee Article 41 Wellesley Office Park 40R Smart Growth Zoning



Presentation Outline

- I. Background: the Town's housing production goals
- II. Opportunity: redevelopment in Wellesley Office Park
- III. 4oR overlay zoning
- IV. Conceptual redevelopment plans
- V. Highlights: Development Agreement
- VI. Summary: fiscal impacts and 4oR payments
- VII. Next steps

Problem and Solution: Affordable Housing in Wellesley and the Housing Production Plan

40B and the Subsidized Housing Inventory:

- **2019:** To meet its 10% goal, Wellesley needed 909 SHI units of its 9,090 total year round housing units, per the 2010 census.
- **2019: 334 more units** were needed to achieve 10% statutory minimum (plus more units to plan for 2020 census).

Key Housing Production Plan Strategies

- Amend Administrative and Professional District to allow multi-family and mixed use.
- Create a 40R district to overlay Administrative and Professional District.
- Consider new zoning innovations, including in the area of Worcester Street/Route 128.

Wellesley Park Overlay History

Wellesley Park Smart Growth Overlay District

- Unanimously approved at May 13, 2019 Special Town Meeting
- Establishes new permitted uses within Wellesley Park (e.g., multi-family dwellings, small-scale retail, elderly housing, laboratory)
- Sets maximum aggregate densities for certain uses:
 - **Multi-family dwellings:** no more than **600 total Dwelling Units.**
 - Office: not to exceed 700,000 gross sq. ft.
 - **Hotels:** **not to exceed 175 rooms.**
- Multi-family dwellings to be **25% affordable at 80% AMI** (more than required under 40R)
- Establishes maximum height, parking ratios, Design Guidelines
- Robust Site Plan Review process for **all future projects**

Original Development Agreement Highlights

- Master Plan allows for 600 rental housing units with 25% affordable; Phase 1 is 350+/- units; potential Phase 2 of up to 250 rental units (also 25% affordable); all units to count on Town's SHI.
- New municipal water and sewer lines will be installed at the outset, along with a new sewer pump station
 - Town agrees to pay up to 50% of the water and sewer lines up to \$500,000. Payment will come only from available 4oR payments.
 - Pump station to be constructed at owner's cost; owner to maintain.
- Owner will make minor traffic improvements along Route 9 (e.g., re-striping on Frontage Road, an improved island on William Street and other pedestrian/safety improvements).
- Owner will complete and make a 25% design submission to MassDOT for a right-turn slip lane onto Route 95NB prior to the CO for Phase 1.
- Owner will be obligated to study and implement traffic mitigation for all subsequent redevelopment per the Master Plan.

Wellesley Office Park - Existing

- William Street & Route 9
- 26 +/- Acres
- Adjacent to 128/95, Charles River, City of Newton, Town of Needham



Wellesley Office Park - Existing

- 8 Office Buildings/ 8 lots
- Built between 1961 and 1984
- Building height 3 to 4 floors (Bldg 45 = 71.6')
- 649,000 gross sq. ft.
- 1,927 surface parking spaces
- Café and fitness center in Bldg 55



Wellesley Park – Existing

- William Street & Route 9
- 26 +/- Acres
- Adjacent to 128/95, Charles River, City of Newton, Town of Needham
- 575,000 +/- SF gross leasable office area (all existing)
- 350+ residential units at 40 William ("The Nines")
- Structured parking for residential and office uses



40R Payments to Wellesley

1. Phase 1 Project: \$1,337,000 (received)

- Upon issuance of Building permit:
 - **\$350,000** Incentive Payment (based on DHCD's payment scale)
 - **\$990,000** Bonus Payment
 - Based on 330 "Bonus Units" (350 – 20 existing zoned units x \$3,000)

2. Potential Future Phase 2: \$1,000,000 (est.)

- **\$250,000** Incentive Payment (based on DHCD's payment scale)
- **\$750,000** Bonus Payments
 - based on 250 "Bonus Units" x \$3000

3. Potential Future Phase 3: \$700,000 (est.)

Proposed 4oR Amendment

Purpose

- Replace hotel development opportunity with additional residential density (either rental *or* homeownership units)
 - 250 residential units to replace the previously-approved 175 key hotel

Process

- Simple amendment to 4oR bylaw to be approved at Town Meeting and DHCD
- Complementary amendment to Development Agreement to be approved by Select Board

Warrant Zoning Text

ARTICLE 41. To see if the Town will vote to amend the Zoning Bylaw by amending Section 3.6.1 Wellesley Park Smart Growth Overlay District to allow for greater residential density and the removal of hotels as a permitted use, by:

1. Striking Section 3.6.1.C.1.j, which reads “j. Hotels”, in its entirety, and renumbering the remaining sections accordingly;
2. Striking Section 3.6.1.C.2.g, which reads “g. Hotels”, in its entirety;
3. Amending Section 3.6.1.D.1. by deleting the language in strikethrough and adding the language in bold:
 1. Density

Development of the following uses within the Wellesley Park Overlay District shall be limited, as follows:

- a. Multi-Family Dwellings: no more than ~~eight hundred fifty six hundred (850 600)~~ total Dwelling Units or twenty (20) units per acre based on the entire area of the District, whichever is greater;
- b. Small-Scale Retail Establishments: not to exceed a total of 19,500 gross square feet; **and**
- c. Offices and Office-High Tech: not to exceed a total of 700,000 gross square Feet; **and**
- d. ~~Hotels: not to exceed a total of 175 rooms.~~

Or to take any other action in relation thereto.

Traffic Impact Analysis

- Replacement of 175-key hotel with 250 multifamily residential units will result in **comparable peak-hour traffic volumes** and a **modest reduction in traffic (19 percent) on an average weekday**

Time Period/Direction	Vehicle Trips		
	(A) Additional Multifamily Units (250 Units) ^a	(B) Approved Hotel Rooms (175 Rooms) ^b	(C = A - B) Difference
<i>Average Weekday Daily:</i>			
Entering	568	699	
<u>Exiting</u>	<u>568</u>	<u>699</u>	
Total	1,136	1,398	-262
<i>Weekday Morning Peak Hour:</i>			
Entering	22	45	
<u>Exiting</u>	<u>76</u>	<u>35</u>	
Total	98	80	+18
<i>Weekday Evening Peak Hour:</i>			
Entering	60	52	
<u>Exiting</u>	<u>38</u>	<u>50</u>	
Total	98	102	-4

^aBased on ITE Land Use Code (LUC) 221, *Multifamily Housing (Mid-Rise)*.

^bBased on ITE LUC 310, *Hotel*.

Water/Sewer Impact Analysis

- Replacement of 175-key hotel with 250 multifamily residential units will result in **increased water and sewer demand of approximately 17,875 gallons per day**
- Due to significant water and sewer infrastructure improvements that have now been completed (new 6" sanitary sewer force main, new 400 GPM pump station, and new 12" water main), the **existing infrastructure is anticipated to support the proposed zoning amendment**

Fiscal Impact Analysis

- Proposed 250-unit multifamily project generates an estimated **net positive** annual fiscal impact of **~\$285,000/year** when compared to a 175-key hotel
 - Increase in annual tax revenue of approximately **\$550,000/year**
 - Estimated increased municipal costs of **\$265,000/year**:
 - Police Department **\$30,000**
 - Fire Department **\$25,000**
 - School District **\$190,000**
 - Other Departments **\$20,000**
 - One-time 4oR payment from DHCD of approximately **\$700,000**

Development Agreement Amendment Considerations

- Use/Density
 - 850 total housing units; at least 600 to be apartment style
- Affordability
 - Exploring enhanced affordability mix for additional 250 units
- Transportation
 - Reaffirming commitment to future traffic mitigation measures
- Public Safety
 - Coordinate with police and fire departments to develop a plan to further enhance public safety services at Wellesley Park
- Sustainability
 - Beneficial electrification; pursue further trail enhancements; develop a “tot lot” for additional 250 units