

**Needham Finance Committee
Minutes of Meeting of April 17, 2019**

The meeting of the Finance Committee was called to order by Chair Barry Coffman at approximately 7:00 pm at the Needham Town Hall.

Present from the Finance Committee:

Barry Coffman, Chair ; Tom Jacob, Vice Chair

Members: John Connelly, Joshua Levy, Louise Miller, Carol Smith-Fachetti

Others present:

Kate Fitzpatrick, Town Manager

Maurice Handel, Vice Chair, Select Board

Paul Alpert, Chair, Planning Board

Martin Jacobs, Vice Chair, Planning Board

Citizen Requests to Address Finance Committee

No citizens requested to speak.

2019 Annual Town Meeting Warrant Articles: Discuss and/or Vote

Article 14: Appropriate for Town-Owned Land Surveys

Ms. Fitzpatrick listed the Town properties that were surveyed in FY18, FY19 and proposed for FY20 with funding through warrant articles. She stated that in FY18, the entire \$100K appropriation was expended, and the FY19 appropriation is currently being used. She stated that the RTS land survey was moved into the project budget, so some of the planned surveys have changed. She stated that where possible, surveys are included in project budgets, but in some cases, a survey is needed before a feasibility study can be completed. She stated that her recommendation is to get ahead of the construction projects where possible.

MOVED: By Mr. Jacob that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article 14: Appropriate for Town-Owned Land Surveys in the amount of \$100,000. Mr. Levy seconded the motion. The motion was approved by a vote of 6-0.

Article 17: Appropriate for Small Repair Grant Program

Ms. Fitzpatrick stated that the Affordable Housing Trust Board is reviewing their draft proposal of this program that would provide funds to help homeowners who need improvements to their homes for health or safety purposes. It will include guidelines regarding income levels of grant recipients. Eligible homes must be at or below the mean value of homes in town, currently about \$905K. The funding would cover work such as window repair, installing ramps instead of stairs, or grab bars. She stated that most grants are expected to be around \$2500. There will be two rounds of funding annually, and the grant decisions will be made by the five Select Board members, the Town Manager and one committee member at-large. The funding is through the warrant article, would not go into a special fund. Mr. Connelly asked how the Housing trust Board determined the amount of \$50K. Ms. Fitzpatrick stated that they spoke with other towns

with similar programs and found that \$50K was an amount that would be expected to last a couple of years. Mr. Connelly asked why there is no age requirement since the goal appears to be intended to help older citizens stay in their homes. Ms. Fitzpatrick stated that that is the intent, and that Town Counsel is looking into that issue. In response to a question from Mr. Levy, Ms. Fitzpatrick stated that applicants are subject to a \$5K maximum funding, likely in two grants, per applicant for work in that home. Ms. Fitzpatrick stated that the Town will pay the vendor directly for services, though they are considering whether to allow the Town Manager to approve of payment to the homeowner. Mr. Coffman asked if the Affordable Housing Trust Board is still developing guidelines. Ms. Fitzpatrick stated that they are, and expect to have at least a draft available for Town Meeting. Mr. Connelly asked for a copy when available.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article 17: Appropriate for Small Repair Grant Program in the amount of \$50,000. Ms. Miller seconded the motion. The motion was approved by a vote of 6-0.

Article 24: Amend Zoning By-Law - Accessory Dwelling Unit

Mr. Coffman asked what the goal of the article is, and what the expected impact would be. Mr. Alpert stated that the Planning Board has been studying the issue for two years. The idea was brought to the Board by the Housing Specialist who felt that allowing these units would be desirable because it would allow older or disabled people who may need some assistance to stay in their homes by allowing them to equip a separate but attached unit with a kitchen for a caregiver to live in, which may be family or a paid person. The unit could have a maximum of one bedroom and 850 total square feet, with a kitchen for cooking. Other cities and towns have been passing similar legislation, and there is a movement to allow it at a state level. In response to a question from Ms. Fachetti, Mr. Alpert stated that the intention is not to allow separate units for nannies or caregivers for children, but rather for adults who look after elderly or chronically sick or disabled people. He stated that there is expected to be minimal fiscal impact. Towns that have allowed such unit have seen minimal usage, and thus little effect on services. He stated that the Building Commissioner supports the change because he believes that there are illegal units in Town that are potentially unsafe, and this would allow them to get a permit and to be inspected. The Building Commissioner will enforce the by-law. He stated that the homeowner must apply to the Zoning Board of Appeals for a special permit which would give them the right to use the unit for 3 years. The permit is for that homeowner, and would not transfer to a new buyer. He confirmed to Mr. Levy that if a new homeowner did not qualify, any stove would need to be removed or disconnected. Mr. Connelly stated that the financial impact is nebulous. Mr. Levy noted that the units could affect assessments.

MOVED: By Mr. Connelly that the Finance Committee take no position on 2019 Annual Town Meeting Warrant Article 24: Amend Zoning By-Law - Accessory Dwelling Unit. Mr. Jacob seconded the motion.

Discussion: Ms. Miller asked the reason for the units. Mr. Alpert stated that it would allow elderly and disabled people who need around-the-clock care to stay in their homes, or to allow a family to move elderly parents in, and provide them with separate living space with a kitchen. Mr. Levy asked if there are other structural changes to homes that are allowed only for a limited amount of time. Mr. Alpert stated that the special permit is not renewed every three years, but they have to notify the Building Commissioner that the unit is still being used for caregiving.

Mr. Jacobs stated that in every feature of this by-law, they are adopting the most restrictive version compared to other communities. Mr. Alpert stated that other towns allow this type of use by right, or allow a unit of up to 1200 square feet, or allow such a unit in a separate structure. He stated that the Board explored allowing a free standing unit on lots over one acre.

Ms. Miller stated that she feels that zoning by-laws always have a financial impact because they affect the way residents can use their property. She feels that this change would have a positive financial impact. Ms. Fachetti stated that she felt the impact could affect an individual property, but in the aggregate, it is negligible. Mr. Connelly stated that there is no evidence presented of a financial impact, so it would be speculation, and the Committee should not take a position. Mr. Levy stated that there will be some negative impacts and some positive, and the Finance Committee should take a position to say that the net effect is a wash.

Mr. Connelly's motion was approved by a vote of 4-2, with Ms. Miller and Mr. Levy dissenting.

Article 25: Amend Zoning By-Law – Dimensional and Use Regulations for the Transit Oriented Development Sub-District of the Lower Chestnut Street Overlay District

Article 26: Amend Zoning By-Law - Map Change to Chestnut Business District and Lower Chestnut Street Overlay District

Article 27: Amend Zoning By-Law - Map Change – To Transit Oriented Development Sub-District of Lower Chestnut Street Overlay District

Mr. Alpert stated that these three articles work together. Article 25 makes a new overlay district which in the area by the Needham Junction MBTA station and tracks, particularly 433 Chestnut Street. Article 27 is the map change showing the overlay district. Article 26 rezones a triangular area that is owned by the MBTA, now part of Residential B district, into the overlay district. He stated that the MBTA is not currently looking to sell the property, but may lease it to a developer to use it for parking or a driveway associated with the bigger lot. He stated that the properties must still meet the railroad setback requirements, but would not be subject to residential zoning requirements. The zone would not be required to meet the Chestnut Street requirement of retail space on the first floor. He stated that limiting the height to 2 ½ stories was insufficient, so the new overlay district would allow 5 stories. He stated that the Planning Board first proposed 6 stories before the public hearing, knowing that they could reduce the height proposal, but not increase it, after the public hearing. He stated that the 5th story would either have a pitched roof or be set back. Mr. Jacob asked why the Planning Board is proposing the taller allowance in this area. Mr. Alpert stated that the property is protected from the street and lends itself to a higher building, and would allow more housing units. He stated that they are sensitive to the view from Maple Street, which is why the height was reduced to 5 stories. Ms. Miller asked if there have been studies. Mr. Alpert stated that there was fiscal impact analysis in July 2018, and a traffic impact assessment. Ms. Miller expressed concern that this was spot zoning. Mr. Connelly stated that although the location is by the train station, he feels that people would need cars to live in this location, and that there would be significant impacts on traffic.

Mr. Jacob stated that he understood why the Planning Board would want to eliminate the requirement for 1st floor retail space in the district, but did not see why they would want to allow greater height. Mr. Jacobs stated that they are trying to incentivize development, and that a developer would not be interested in developing in that location if the building could not be at

least five floors. Mr. Alpert stated that the Planning Board reduced the required amount of parking to one car per unit because the idea is that the development would attract young professionals who take the train into the city, or empty nesters who want to downsize. The development would have to include at least 50% one-bedroom units. The expected residents would be mostly couples without children. Mr. Levy asked why they would not extend the additional height allowance through the Chestnut Street zone if it would be desirable in the transportation district. Mr. Alpert stated that the elevated height is not detrimental given the elevated track, but it would not be appropriate in the rest of the area. Mr. Jacobs stated that the Planning Board has gotten much input from residents on the issues. Ms. Miller asked who would do the stormwater analysis. She stated there is a culvert under the tracks that flooded significantly in 2010 and cost the town a lot of money. She noted that there are special issues on that property. Mr. Alpert stated that the developer would submit the stormwater analysis to the Planning Board, and they would give it to the Town Engineer to review.

Mr. Coffman stated that there would be a financial benefit of higher taxes, and some increased services, and there would be some increase in the number of school-aged children. Mr. Alpert stated that there could be some children, but it is not clear how many. Mr. Jacobs stated that the number of one-bedroom units in a proposed development would affect that. Mr. Alpert stated that the Planning Board will take a serious look at traffic issues. Mr. Jacobs noted that the Fire and Police Departments would weigh in on any proposed development.

MOVED: By Mr. Connelly that the Finance Committee recommend not to adopt Article 25: Amend Zoning By-Law – Dimensional and Use Regulations for the Transit Oriented Development Sub-District of the Lower Chestnut Street Overlay District. Ms. Miller seconded the motion.

Discussion and vote: Mr. Connelly stated that he is bothered that this seems to be spot zoning. He sees this area as a gateway to Town, and this is not what he would like to see there. He is also concerned about traffic in the area. The proposed height is also a problem. There is no reason for that height, and he is concerned about nearby homes. He does not want to change the character of the area for this developer. Ms. Miller stated that she thinks this zoning would put an unreasonable burden on infrastructure including roads, traffic, stormwater and drainage. Mr. Levy stated that he is torn since the Town needs more housing, particularly affordable housing, but is concerned with the drawbacks. He stated that the spot zoning issue is odd but not a factor. Mr. Connelly stated that he reviewed the fiscal analysis but it was from the proponent, so he does not give it great weight. Mr. Levy stated that he wished there were more time to gather more data about financial impact. Ms. Fachetti stated that she would support the change only to preclude retail on the first floor. Mr. Alpert stated that the frontage requirement would need to be changed as well to allow development on the property. Mr. Jacob stated that there is no need to rush into these changes, especially where the Town is still trying to understand the effects of another recent development (Modera.) He stated that putting a large building puts additional stress on infrastructure. He does not feel the need to make the Town to be made more attractive to development right now. Mr. Coffman stated that he is hesitant to want to allow the additional height. He thinks the property could attract development without the potential for five stories. Mr. Jacobs stated there is only one building proposed for development downtown, and he feels that the zoning restrictions don't allow a big enough building to incent development.

Mr. Connelly's motion was approved 6-0.

Mr. Alpert requested that the Finance Committee consider a recommendation in favor of Article 26 because there is no reason to have the MBTA property in the Residential B zone. It would remove the resident setback requirement and allow the property to be leased by the MBTA as part of a proposed development. Mr. Levy argued that there is no financial impact in Article 26.

MOVED: By Mr. Levy that the Finance Committee take no position on 2019 Annual Town Meeting Warrant Article 26: Amend Zoning By-Law - Map Change to Chestnut Business District and Lower Chestnut Street Overlay District. Mr. Connelly seconded the motion.

Discussion and vote: Mr. Connelly stated that he feels that all of the issues should be studied and reconsidered together, and not to parse out some of it separately. Mr. Alpert stated that Article 26 is essentially a housekeeping measure. There is no reason to have that parcel zoned as residential. Mr. Connelly stated that this housekeeping issue has existed and there is no reason to act on it now. Mr. Coffman stated that it could make the process easier next time. It is arguably just housekeeping, but it could also incent usage. Mr. Jacob asked whether the Planning Board would withdraw Article 27 if Article 25 does not pass. Mr. Alpert stated that they could withdraw Article 27, but would keep Article 26 on the table.

Mr. Levy's motion was approved by a vote of 4-2, with Ms. Miller and Ms. Fachetti dissenting. Ms. Miller reiterated that she feels the Finance Committee should always take a position on zoning articles.

MOVED: By Mr. Levy that the Finance Committee recommend not to adopt 2019 Annual Town Meeting Warrant Article 27: Amend Zoning By-Law - Map Change – To Transit Oriented Development Sub-District of Lower Chestnut Street Overlay District. Ms. Miller seconded the motion. The motion was approved by a vote of 6-0.

Article 28: Amend Zoning By-Law - Self Storage Facilities in Mixed Use 128 District

Ms. Fitzpatrick stated that she received a letter from the proponent requesting to withdraw the article. Mr. Connelly stated that he was interested to know why the Planning Board excluded this use from the use table to start. Mr. Alpert stated that the zoned industrial areas allowed wholesale warehouse and storage facilities by right. When the 128 district was zoned, it was changed to remove storage facilities. He reviewed old minutes and it appears that the Board did not want industrial storage. At the time, there were no self-storage facilities. He stated that there was a recent special permit granted for a self-storage facility on Hillside Ave. near Rosemary St. He stated that the area allowed a special permit for that use, but this is not currently available in the New England Business/128 zoning district.

Article 49: Amend General By-Law / Stretch Energy Code

Ms. Miller stated that she feels that adopting the stretch energy code would have a negative financial impact. The only reason to do it is as a step toward the designation as a green community, which is expensive to apply for and administer. Mr. Levy stated that the Town is also already complying with the terms because the builders follow it, so there is not a need for this change. Mr. Handel stated that the Town is not seeking the green community designation, and this is not a precursor. This is a separate issue. It would require certain new construction to

get a HERS rating to show energy efficiency. Mr. Levy asked if Town Meeting approval would be needed to seek green community status. Mr. Handel stated that the Select Board would make the decision, and Town Meeting approval was not need. Ms. Fitzpatrick stated that Town Meeting can always withdraw from the stretch code. She stated that it is close to the current code. Mr. Jacob stated that he spoke with some architects about the article. They said they had opposed adopting it when it was first proposed in 2011, but are now in favor. Ms. Fitzpatrick stated that the previous time, the provisions would have applied to additions and renovations, and now it does not.

MOVED: By Mr. Jacob that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article 49: Amend General By-Law / Stretch Energy Code. Mr. Connelly seconded the motion.

Discussion and vote: Mr. Levy stated that he opposes this article since developers are following the code anyway, so that the only real effect is to allow the Town to become a green community, and he does not yet understand the financial impact of that. Mr. Coffman stated that he is not sure this is needed. It is not clear what the benefits are since builders are following it as a matter of course.

The motion was approved by a vote of 4-2, with Mr. Levy and Ms. Miller dissenting.

May 2019 Special Town Meeting Warrant Articles: Discuss and/or Vote

Article 1: Appropriate for N2 Innovation District

Ms. Miller asked why the money was needed. Mr. Handel stated that the district is a partnership with the chambers of commerce of Needham and Newton. Three years ago, Newton provided \$24K and Needham provided \$20K of funding to promote the district. They were able to leverage those funds to get \$300K in private funding. Through marketing efforts, the image of the area has changed and the benefits are far beyond the proportion of money spent. He stated that he believes that this will be the last request for Town funding. Mr. Connelly stated that developers should be paying for these efforts. He stated that good things have happened in the area, and that this request is appropriate.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of May 2019 Special Town Meeting Warrant Article 1: Appropriate for N2 Innovation District in the amount of \$20,000. Mr. Jacob seconded the motion. The motion was approved by a vote of 6-0.

Article 4: Amend General By-Law - Non-Criminal Disposition

Ms. Fitzpatrick stated that this change was triggered by the fact that regulated utilities must get approval to run wires overhead or through underground conduits. She stated that some developers have been digging and running conduits before being granted approval on the location. They were not completing the process requiring notice and a public hearing, but there was no method to enforce except with a criminal fine. This will allow the DPW Director to enforce the by-law with a non-criminal fine.

MOVED: By Mr. Jacob that the Finance Committee recommend adoption of May 2019 Special Town Meeting Warrant Article 4: Amend General By-Law - Non-Criminal Disposition. Ms. Miller seconded the motion. The motion was approved by a vote of 6-0.

Finance Committee Updates

There was a discussion about attending warrant meetings sponsored by the League of Women Voters.

Adjournment

MOVED: By Mr. Levy that the Finance Committee meeting be adjourned, there being no further business. Mr. Jacob seconded the motion. The motion was approved by a vote of 6-0 at approximately 9:00 p.m.

Documents: 2019 Annual Town Meeting warrant; Special Town Meeting warrant, 4-5-2019 draft; Memo from Kate Fitzpatrick to Finance Committee Re: Town Owned Land Surveys, Dated April 17, 2019; Letter from President of Newton Needham Regional Chamber to Needham Select Board, Dated March 13, 2019 re: request for funds.

Respectfully submitted,

Louise Mizgerd
Staff Analyst

Approved April 24, 2019