



TOWN of NEEDHAM  
MASSACHUSETTS

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT  
**Economic Development**  
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**MEETING OF THE COUNCIL OF ECONOMIC ADVISORS**  
**WEDNESDAY, April 4, 2018 7:30 AM**  
**Charles River Room PSAB**

Present: Jack Cogswell, Chair; Adam Block, Vice Chair; Rick Putprush; Michael Wilcox; Peter Atallah; Moe Handel; Bob Hentschel; Glen Cammarano; Stuart Agler; Marty Jacobs; Virginia Fleisher; and Devra Bailin.

Not Present: Bill Day; Russ MacTough; Ted Owens; and Matt Talcoff

Also Present: Anne Weinstein, District Director for Rep. Denise Garlick; Kathleen Brown; Chuck Tanowitz, Brendan Cohn; and Adam Meixner

**I. Approval of Minutes**

The Minutes of March 7, 2018 were unanimously approved.

**II. Reminder of Next Meeting Dates**

Our next meeting is scheduled for May 2<sup>nd</sup> in the Charles River Room. Future meetings will be scheduled for the first Wednesday of the month (unless a holiday) in the Charles River Room at PSAB.

**III. Discussion of Central Avenue Neighborhood Business District (May TM)**

The zoning to allow mixed residential multifamily use in the Central Avenue Neighborhood Business District is on the TM Warrant for May. As a reminder, the CEA's letter to the Planning Board recommending the change was submitted. Members requested clarification from the Planning Board as to whether it wanted a copy of the CEA's letter for the TM member handout table.

**IV. Discussion of Riverside Neighborhood**

Devra explained that the Town Manager asked her to get the view of the CEA about changing the zoning for this neighborhood. Concern was expressed about moving forward on any views without first holding meetings with the residences. Moe moved to table any discussion until he could seek clarification of the question. The motion was seconded and passed.

**V. Report of Cambridge Innovation Center visit**

Adam reported that a visit was made last week to the Cambridge Innovation Center (“CIC”) which rents its main building from MIT in Kendall Square. There are over 600 companies there all involved in the tech business, including IT and life science. It is an ecosystem, including incubator and co-working concepts. CIC offers over 100 programs per month and 30 day memberships to its members, who essentially rent space and amenities from CIC. It is a for profit enterprise with facilities also in Boston, St. Louis, Warsaw, etc. A group of CEA members is exploring the metrics to consider expansion of the concept to areas like our own, including examining ways in which we can attract businesses which outgrow the CIC experience. Adam explained that there are three ways he sees this could be done: 1. an actual partnership with CIC itself in some form. 2. Use the information to ascertain what we are lacking--e.g. wetlab space. [It was noted that Bulfinch Companies has the lab space that Verastem was occupying available; Verastem has moved to straight office in Needham with labs elsewhere.] 3. Use the information to find a way to attract some of these companies to look at Needham Crossing as they outgrow their CIC memberships. The group will next be touring Greentown Labs in Somerville.

Moe pointed out that the N2 is also exploring similar issues and suggested the group coordinate with Chuck Tanowitz. Chuck pointed out that he has discussed CIC coming to N2 but has been told that T access is mandatory. He noted that the Mass Challenge space in Newton Corner is connected with CIC. He explained his work in trying to get other organizations to come to the area, including Workbar. He notes that the ideal would be to bring multiple companies of ten or so people together in collaborative space. He noted that Greentown Labs offers wetlab space.

## **VI. Presentation by Brendan Cohn (JLL) and Adam Meixner (128CRE)**

Brendan and Adam agreed to come to the CEA today to talk about the state of commercial real estate in Needham Crossing. Brendan noted that JLL recently did a program for the Newton Needham Regional Chamber in which they analyzed how N2 compares with Waltham, Boston and Cambridge. He noted that there is not a lot of vacant space in N2 and that rents are increasing. Because construction costs are very expensive, building on spec is difficult. JLL tracks the 128 submarket; of the 22 million sq. feet. 5 million is in Newton and Needham. Waltham has 10 million of the submarket’s square footage. N2 is becoming more competitive with Waltham, but Waltham is still perceived for its advantages of centrality and supply. The traffic situation there is a drawback, especially compared to the new ramp servicing Needham Crossing. The highway infrastructure project together with the redevelopment of Needham Crossing in the past seven years has been huge. Normandy still has three pad sites for new construction but refurbishing older buildings is less expensive and takes less time. Although PTC is leaving for the Seaport, the economy in Needham Crossing is strong, with rents rising, and vacancy rates low.

It was noted that the lead time for a new building is 18 months after the lease signing and that considerable time is spent before that with permitting. Normandy’s project is fully permitted which is an advantage. There was discussion of the impact of PTC leaving. Devra noted that PTC got a sweetheart deal when it renegotiated its lease 8 years ago and was paying low rent (maybe \$27 per square foot); the market rent for the space would now be in the low to mid 40s. Boston Properties, the owner of the PTC building, owns 40% of the class A market in Waltham which is bringing in rents in high 40s/low 50s. Adam noted that BP’s Bay Colony property was renting in the low 30s and they rehabbed the building, bringing in rents in the mid 40s.

Devra noted that a significant disadvantage (in addition to the terrible traffic) in Waltham is that most of the large buildings are built in a haphazard isolated manner. There was no plan and little attention to the infrastructure necessary to accommodate the growth. She added that it takes the 128 Business Council shuttle over an hour after 4:00 to get from the other side of 128 to the commuter rail connection in Waltham.

Sole occupancy buildings like TripAdvisor are insular; we need mixed commercial uses in multistory buildings to create density and vibrancy. The amenities need to be accessible to the public. On this issue Devra noted that problem with the cafeteria at SharkNinja, for example, being open to the public but unable to advertise that fact. Devra asked Marty for the Planning Board's help in changing this. Adam noted that amenities are vital to make the area and individual buildings inviting. That is what millennials want. There was discussion of whether to attract that workforce we have to have mass transit and whether housing within Needham Crossing will help. There was also discussion of the use of the 128 Business Council shuttles and whether there is sufficient demand for shuttles to come directly from Boston and/or Cambridge to the area, as TripAdvisor's shuttles do. Chuck noted that Wells Avenue owners and Newton are discussing bringing the shuttle there. Needham has mandated major projects in Needham Crossing join and participate in the shuttle program for over thirty years as a traffic mitigation requirement of their permits. It was also noted that getting around the area without a car is also an issue.

There was discussion of how a concept plan for streetscape design with connections to the river might help make the area more desirable, as that is a unique feature of Needham Crossing. Adam pointed out that natural amenities are important but that for now we ought to be stressing the new infrastructure. How do we get that message out there? Commercial real estate brokers obviously know about it but our existing businesses and CEO's of big companies should be selling it as well. Mike wondered whether, given our proximity to Weston, Dover and Wellesley where many CEOs live, we can influence site selection in more direct ways. He noted that hiring qualified tech employees is highly competitive and it is difficult to compete with direct access to pools of talent in Boston and Cambridge. Devra asked if housing right in Needham Crossing can help change that dynamic. Adam noted that it is a start but the area needs to be infused with walkable amenities and inviting environment. Brendan added that we need big name amenities, especially destination restaurants within walking distance, and access to the River would be a huge draw. How do we attract these? Brendan noted that, until these are in place, people can't envision it. It was noted that having hotels in the area is also a plus for businesses locating in Needham Crossing. Moe wondered whether amenities should be consolidated in one area or spread around the district. Brendan felt that, since the area is so small, it wouldn't matter so long as they were visible. Bob thought consolidating them would create more of a sense of place. When the question was asked if there were any zoning adjustments which should be made, Mike commented on the medical uses limitation (which, as Devra noted, was a compromise with the supporters of the local hospital, without whose support the zoning would not have passed). Brendan noted that, if there were any changes we could make to allow uses as of right versus special permit, that would be advantageous.

Rick asked if Needham, as part of its permitting, demands from developers to provide certain public amenities which would produce what we envision. Devra noted that Needham Planning Board did not historically mandate parks, community centers, or the like as part of approval of permits to develop--those being deemed as outside the Board's jurisdiction. There are street opening mitigation

requirements and stormwater management/drainage programs which must be complied with outside the Planning Board's purview. Marty noted that we can incent contributions to amenities--e.g. density bonuses--more of carrot than stick approach.

Adam noted that signage is important to identify the area. There was discussion of the streetscape signage which is being worked on (but cannot be implemented until the Highland Avenue corridor is further along) and the one off 128. Moe suggested we raise again the addition of a blue sign on the highway. He will look into it.

**VII. Discussion of CEA priorities/future goals**

Due to time constraints this topic was not discussed.

**VIII. Update on Needham Crossing/N<sup>2</sup> Innovation District (Streetscape/ river walk grant; Israeli visit and presentations)**

Due to time constraints this topic was not discussed.

**IX. Update from the Downtown Subcommittee (Streamlining Initiatives)**

Due to time constraints this topic was not discussed.

**X. Update on Infrastructure Improvements in Needham Crossing and Downtown,**

Due to time constraints this topic was not discussed.

**XI. Other Business**

Due to time constraints this topic was not discussed.

**XII. Adjourn**

The meeting was adjourned at approximately 9:05 a.m.