



Council of Economic Advisors  
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**Minutes**  
**Council of Economic Advisors**  
**Wednesday, November 4, 2020 9:00 a.m.**  
**Zoom Meeting ID 840 2622 0888**  
***Adopted on December 2, 2020***

**Members Present:** Stuart Agler, Adam Block, Tina Burgos, Glen Cammarano, Bill Day, Anne Marie Dowd, Lise Elcock, Virginia Fleisher, Maurice Handel, Robert Hentschel, Adam Meixner, David Montgomery, Rick Putprush, Michael Wilcox

**Members Absent:** Mathew Talcoff

**Others Present:** Amy Haelsen, Economic Development Manager; Timothy McDonald, Director of Public Health Services; Lee Newman, Director of Planning and Community Development

1. Adam Block, Chair, opened the meeting at 9:00 a.m. He announced that that this meeting of the Council of Economic Advisors was being held remotely, consistent with current state regulations, and was being recorded. Mr. Block announced that CEA member Ted Owens had resigned from the Council and that Lise Elcock, a Needham resident, and Membership Director for the Newton Needham Chamber, had been appointed to the Council by the Select Board.
2. **Minutes of October 14, 2020**  
Stuart Agler moved to adopt the minutes of October 14, 2020. Bill Day seconded the motion. The motion was unanimously approved.
3. **COVID19 State of Emergency Update** – Mr. McDonald reported that there has been an uptick of positive cases nationally and regionally with eight consecutive days of over 1,000 cases a day. Needham has been designated as green while more than a third of cities and town in Massachusetts have been designated red. Now that there is more data available, public health experts are more concerned about clusters in which one person spreads it to a number of people who then spread it to a number of people with the majority of cases related to family or social interactions. The data is showing that the source of infections in Needham is related to youth sports, play dates, kids socializing and their parents not necessarily modeling good behavior. Mr. McDonald shared that on Monday, Governor Baker announced three revised or reissued executive orders one of which applies to face coverings which mandates that face coverings must be worn except when you're on your own private property, in your house, and in your car. Mr. McDonald added that they will be counting on

public messaging and hoping people will be listening to the guidelines and trying to do their best to model good behavior. The second of the new executive orders affects non-essential businesses and prohibits them having customers on site after 9:30 pm. However, restaurants may continue takeout operations after this time. Businesses like grocery stores, gas stations, and other such essential businesses don't have to follow these new guidelines. Mr. McDonald shared that this is an effort to cut down on the amount of social interaction as a number of people are having the same level of social interaction as they did pre COVID. He reported that the Governor's Community Tracing Collaborative (CTC) has been ramped up but he feels that they don't provide us the level of service they're looking for so the majority of the public health department's contact tracing is done internally. He noted that his department has added a number of per diem staff that are trained in contact tracing and added another full-time public health nurse whose entire focus is almost all on contact tracing. By doing contract tracing in-house, people are contacted more quickly and his staff gets in touch with 100% of the actual cases while the CTC generally hits 90%. His staff contacts 95 to 99% of the contacts within a 24-hour period where the CTC is about 80 to 85%, within a 48-hour period which, he noted, can make a big difference. The data, which is both statewide and Needham-based, does point to social interactions, family groups and gatherings as the large sources of spread rather than to outdoor or indoor dining at a restaurant, to shopping or to visiting gyms. Mr. McDonald added that restaurants have not been a significant source of infection as was originally thought in part because of the restrictions Massachusetts still has in effect related to bar service. The third executive order limits the number of people allowed to gather at a private residence, ten people inside and twenty-five people outside. Mr. McDonald shared that his department does receive calls from the public reporting that staff at certain local businesses may not be wearing masks either properly or at all. The public health staff follows up with the businesses to remind them of the rules and make sure they are complying. They also follow up on situations in which customers may not be following the rules with regard to mask wearing. Overall, Needham's businesses have been very compliant and are very conscientious about wanting to protect their customers and their workers. Mr. McDonald offered again that if there are businesses that are concerned about making modifications to their operations, the public health staff is happy to speak to them and do whatever they can do to help them make sure their operations are safe and healthy for themselves and their customers.

#### **4. Challenges and solutions:**

- a. **Office** – Mr. Meixner reported that from early June up until Labor Day commercial real estate activity was pretty active but in the last few weeks it's been quieter in terms of tours and inquiries. Over the summer many tenants had to actually take action because their leases were expiring but now others are trying to delay as long as possible to see how the pandemic plays out. The feedback that he's getting from clients is that they're not going to necessarily downsize or give up the office as they will still want physical office space. One client he is working with is in a traditional office and wants to instead rent space to set it up like a conference center where they can have full company meetings as well as several individual conference rooms, and then maybe a few workstations where employees can plug in for a few hours. The majority of the client's 80 employees are working remotely and they want to have a facility to use when they need it. In comparison to this time period last year, Mr. Meixner noted that things are quieter this year. Amidst so much uncertainty, a lot of clients are opting to renew rather than move unless they need more space or are looking to downsize. Most activity has been primarily lateral moves or expansions. Mr. Wilcox agreed that things have been slower with commercial real estate activity over the last few weeks

although his firm has signed four new leases in recent weeks. His company is trying to be as creative as possible to retain existing tenants which includes some inducements, particularly on the renewal side. Tenants' perceptions about what their situations will be in the future tend to be all over the place. Many companies are continuing to embrace remote work and he believes it's going to be part of how they conduct business for a considerable amount of time going forward. The lab and research markets continue to do well. Both Mr. Meixner and Mr. Wilcox commented that rents for commercial properties have not gone down. There is a significant amount of sublease commercial space in the downtown Boston market but not in Needham. Landlords are reluctant to drop rent prices but may be more flexible in the area of tenant improvements allowance or free rent as they try to retain the higher prices per square foot rents for their lenders.

- b. **Industrial** – Mr. Putprush reported that the demand for lab, industrial and warehouse distribution space is driving that need out to the suburbs. The restrictions on buildings and land is causing more activity outside Route 128. Transaction times have significantly lengthened to get deals done mainly due to scheduling third parties for due diligence such as land surveyors. Many are scheduling several weeks out which impacts the ability to close deals within thirty to forty-five days. In response to an inquiry from Mr. Putprush, Mr. Block commented that there has also been a huge impact on the residential real estate market as it has become increasingly competitive with very little inventory. Houses are selling at asking price or above with little or no contingencies. Homes that are priced right for their location and condition are moving quickly as demand remains strong. Rentals in multi-family units in Boston, for example, have softened as they are largely rented by college students and young professionals in large part because of in-person college attendance is way down due to COVID.
- c. **Retail/Restaurant** – Tina Burgos reported that the holiday shopping season started early and that foot traffic has been steady adding that it is in part due to concern from customers that there may be another shutdown. In the block where her shop Covet & Lou is located, Lisa's Boutique and Hillcrest Garden Center have closed and Mostly Grey has a "for lease" sign in its window. By the time the end of the year comes, she believes Needham Center is going to look decimated because of the retail and restaurant closures that are happening. She noted that Ms. Haelsen has been helping retailers to figure out strategies including expanded hours for the holiday season and cross-promotions between restaurants and retailers. She believes that the election is going to impact retailers when there is already such a short time to get holiday shopping in. Retailers have to work with what they have and will need to reassess come January. Ms. Elcock mentioned that the Newton Needham Chamber just ordered an additional hundred "Open for Curbside Pickup" signs for both restaurants and retailers in anticipation of further restrictions. The Needham 100 Day Challenge has had great community support and stressing the importance of supporting local businesses. She added that it's hard to quantify how much that is actually driving purchases at local businesses. Ms. Elcock thanked the Select Board for approving the placement of Needham 100 Day campaign signage at town hall and at Avery Square as well as Needham public schools for putting a sign on each of the schools' properties. Needham Lights is also encouraging local businesses to light up their storefronts which will help give Needham Center a sense of life and community. Ms. Haelsen reported that she is organizing retailers in Needham Center to stay open late on Thursday nights with the start date to be determined. She will reach out to restaurants to create cross promotional opportunities (menu specials, discounts if you show a receipt from a purchase at a local retailer). The intent is to drive more foot traffic and sales for the retailers before the holidays but the success of the effort will rely on getting a core group of businesses to commit to participating and helping to spread the word with their own

customer bases. Mr. Meixner inquired about having the retailers set up on the town common to increase their reach. Ms. Haelsen responded that many retailers don't have the staffing resources to be able to have a satellite location in addition to their shops and the tent on the common will be taken down soon so there wouldn't be shelter from the elements. Mr. Block added that there were many restrictions on the farmers market's operations over the summer which would make doing so prohibitive under Department of Health COVID restrictions.

Mr. Block inquired about the demand for parking in Needham Center and the possibility of utilizing parking spaces in to help drive foot traffic. Ms. Haelsen shared that overall, the demand for parking in Needham Center has not been high and that two-hour on street parking continues to be free for customers. She shared that some retailers originally expressed interest in expanding their merchandising outside their storefronts, in which case the on-street parking spaces in front of their shops would have been utilized for the pedestrian way. When she visited with them in person to discuss this option, the retailers opted not to give up on street parking spaces as they felt they were of more value to their customers. Ms. Haelsen reported that the two parklets in Needham Center, one on Chapel Street in front of French Press Bakery and Café and one on Great Plain Avenue in front of Sweet Basil, will be removed at the end of the month. Last week she attended the Newton-Needham Dining Collaborative meeting at the request of several Needham restaurant owners who expressed interest in extending outdoor dining past November 30. As a result, both the Planning Board and the Select Board will vote at their upcoming meetings to extend outdoor dining for 60 days past the end of the Governor's State of Emergency. Newton has just adopted something similar. French Press would like to continue to offer outside seating outside on the sidewalk in front of their store front and on private property in the alley way between their business and the drycleaners next door. Sweet Basil would like to continue to have a few two-top tables on the sidewalk in front of their restaurant as well for anyone who wishes to dine outside as well as a waiting area for people wanting to dine indoors. Ms. Haelsen reported that outdoor dining has decreased dramatically due to the colder temperatures but restaurants would like to have the option to continue outdoor dining if and when there are mild temperature days over the winter. Ms. Haelsen also reported that she is working on identifying and recommending some on street parking spaces in Needham Center as designated curbside pickup only spaces for retailers and restaurants. Ms. Fleisher inquired whether the large electronic tote boards she has seen around town could be used to promote the shop and dine local messaging. Mr. Handel responded that this could be brought to the attention of the Town Manager who has the authority to approve such a request.

5. **Economic Development Manager Report** – Ms. Haelsen reported that Stacy's Juice Bar announced last week that it is closing at the end of November. It joins Three Squares restaurant which closed earlier in the fall as well as retail shops The Art Emporium and Lisa's Boutique. Pollywog's also announced it will be closing at the end of the year. Ms. Haelsen has been in regular contact with the small business community in town to check in see how they're doing and communicate relevant and helpful information including news of the \$51 million in state grants for small business through Massachusetts Growth Capital Corporation. She shares links to free webinars available from the Center for Women in Enterprise, the Small Business Administration, the International Downtown Group, all of which provide technical assistance on topics such as applying for the new state grants, free Google Business tools, Finding New Revenue Streams for Retail and Restaurants. Ms. Haelsen has or plans to attend many of these webinars as well. Ms. Haelsen applied to be a Neighborhood Partner for the national Small Business Saturday promotion that will be held

on Saturday, November 28 and has supported the Newton Needham Chamber's 100 Day Challenge through placement of signage around town and assisting with increasing awareness of the campaign. Ms. Haelsen reported that she continues to attend a bi-weekly zoom meeting with other economic development directors, an informal group of staff from twenty different towns and cities in the Greater Boston area. The group shares best practices, discusses solutions and brainstorms on common challenges. Ms. Haelsen recently attended the Massachusetts Office of Travel and Tourism's webinar on "My Local MA" and the Mass Downtown Initiative's "Winter Placemaking".

6. **Planning and Development Department Business Permits Issued** – Ms. Newman reported that the Planning Board issued a special permit to PetCo to offer veterinary services at its site. The Planning Board will vote at tonight's meeting on a public hearing for an application from Trip Advisor to install a fuel cell on their property to reduce the electrical and heating costs while also reducing greenhouse gas emissions. The proposal is for the fuel cell to be mounted on structural steel platform spanning a loading dock fronting B Street across from the Coca Cola building. At the November 17 Planning Board meeting they will consider two applications that were filed. The first project is Boston Children's Hospital which is coming in to amend the special permit to construct Building One which will be next to Trip Advisor which will be approximately 224,000 square feet for a pediatric medical facility. They also plan to complete the construction of Building Two which is being built in phases. This will be the last phase and would add 535 garage parking spaces and adding 105 surface parking spaces at 37 A Street on a temporary basis. The Planning Board has contracted with Beta Group to do a peer review of the traffic study that has been provided. The goal is to have this permit processed and issued by the of this calendar year. The second project is 140 Kendrick Street, the former PTC building which is now proposed to be occupied by IDG. The application is seeking to make changes to the building to allow it to function as multi-tenant use whereas previously it was occupied by only one tenant. The applicant is seeking to modify the first floor space in building one to allow for gym use and a common cafeteria, make changes to some of the pedestrian linkages and put a patio at the rear of the building to reinforce the linkage down to Cutler Lake. Ms. Newman also provided an update on the Highway Commercial One zoning. The traffic study is complete and the working group will be meeting tomorrow for a preliminary meeting to review the results of that study. On November 18, GPI, the firm that conducted the analysis, will present their findings at a public meeting of the Planning Board and multiple board will be invited. Ms. Newman confirmed that the traffic study was conducted with a FAR (floor area ratio) of 1.35 with approximately 866,000 square feet of space, 42.5% of which was modeled for office space, another 42.5% for R&D, and 15% for ancillary retail space. Mr. Block added that this is something that the CEA had been contemplating for several years. He welcomed comments or suggestions from members on any of the models that have been shared as the Highway Commercial One Committee will continue to advance the process with the intent of hopefully making a presentation again at Spring 2021 Town Meeting. Mr. Wilcox commented that flexibility will be key for any future use at this site so that the potential uses can reflect where the market is whether it be lab, office or some combination thereof.
7. **Other Business** – Ms. Elcock shared that the Chamber's diversity initiative that was part of their 2020 plan is coming to fruition on Thursday, November 12 with the release of their top 50 most Influential Business People of Color. The event will begin at 10 am.
8. **Adjournment Roll Call** - The meeting was adjourned at 10:23 am.