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**Minutes**  
**Council of Economic Advisors**  
**District Focused Subcommittee Meeting**  
**March 29, 2022 at 8:30 am**

**Members Present:** Dylan Attia, Adam Block, Jeremy Halpern, Bob Hentschel, Adam Meixner, Rick Putrush, Matt Talcoff, Mike Wilcox

**Others Present:** Amy Haelsen, Economic Development Manager

The Subcommittee Minutes from September 21, 2021, November 3, 2021, and January 5, 2022 were unanimously approved.

In advance of the meeting Ms. Haelsen shared with members of the subcommittee a copy of the “Needham Center Development Plan Final Report” from 2009. The plan was the impetus for the overlay districts that were created in Needham Center through Town Meeting approval in May 2009. The goal of the overlay districts was to encourage redevelopment of existing properties and infill development of an appropriate scale, density, mix of uses and design. It was also aimed at creating opportunities for housing within walking distance of goods and services, public transportation and the civic life of the town. The Overlay District allows for increased density and dimensional requirements to achieve these goals. There has only been one site redeveloped as a result of the Needham Center Overlay District which is the mixed used building at 50 Dedham Avenue. Mr. Block acknowledged that we haven’t achieved the full potential for this district and posed the question as to whether it will take time for the market to change, are additional incentives needed to achieve these goals or do we have the wrong goals for the district. Mr. Block noted that most of the buildings in the district are fully occupied with tenants and, if they’re not, the vacancies don’t last that long. It’s a heavy burden on a property owner to displace existing tenants to redevelop a site as they would lose rental income during the permitting and construction period which could be up to two years. Mr. Halpern inquired if there has been any discussion about the town putting up flex space to provide temporary space for tenants to use while a building is being redeveloped. Mr. Wilcox responded that in his experience tenants are invested in their locations and to temporarily relocate could cause them hardship. Mr. Hentschel agreed and said that for retailers and restaurants their specific location is highly specialized, and it would be difficult to create generic space for them that would work temporarily. He added that in general tenants don’t like to move unless they have to. A lateral temporary move would be highly disruptive. Mr. Halpern also inquired about whether the town might be willing to purchase properties that would help unlock redevelopment opportunities.

Mr. Hentschel commented that if the town really wants to affect change, then it should address parking needs which may be in the form of a parking structure in Needham Center. Ms. Haelsen shared that at the upcoming May Town Meeting there will be a warrant seeking funding for a comprehensive parking study for Needham Center and Needham Heights. The study would include an analysis of current and future parking use including on-street spaces as well as public lots and private lots. The meters will also be reviewed on the current hours, rates and payment system. It is expected that the study would commence in the fall of this year. Mr. Block commented that he believes it would be useful for the CEA to have some role in the parking study. Ms. Haelsen added that the data from the parking study will also help inform us whether the parking requirements for new businesses should be reexamined.

Ms. Haelsen referenced the observations that the subcommittee members made during the walking tours of Needham Center and Needham Heights and one of them was building height and questioned why there are limitations on this in certain areas of the overlay districts. She shared that in 2009 when the creation of the Needham Center Overlay Districts was approved, they included a provision that no building within close proximity to town hall should be taller than the cornice on town hall. She added that at the time there was widespread support for this but that perhaps there may be an opportunity to revisit this thirteen years later. This will also come up in discussions related to the Town's adoption of the state's MBTA multi-family zoning requirement as Needham Center will be a focal point of these discussions. Mr. Putprush stated that not allowing buildings to be taller than the cornice is standing in the way of progress that could benefit the town. Ms. Haelsen pointed out that Overlay District A has parcels that are in closer proximity to town hall yet greater height is allowed in Overlay District A (3 stories/37 feet or 3 + 1 stories/48 feet) than in Overlay District B (2 + 1 stories/27 feet) and would seek clarification from the Town Planner as to why this is the case. Mr. Block said it was worth noting that even with the increased height allowed in Overlay District A, it hasn't spurred the redevelopment of that area.

Mr. Putprush pointed out that there are multiple owners of the commercial properties in the downtown which is another challenge. There are several commercial property owners whose buildings have been in their families for generations and don't have an incentive to redevelop or sell their properties when they are commanding competitive rental rates. Banks are also willing to pay higher rents than many small businesses are which accounts for the number of banks throughout the downtown. Mr. Hentschel reiterated that it's an incredible amount of effort for a landlord to go through to put an extra floor or two on to their building that comes with risk and financial hardship. He added that for redevelopment to be worthwhile you need to increase the density significantly but then also increase the rent significantly. Often what spurs redevelopment in places like Needham Center are these once-in-a-lifetime changes that happen with the ownership of the building that cause them to want to sell the property.

Mr. Meixner shared that it is challenging to get office tenants to pay market rate for office space in Needham Center as it's too far off the of the highway. Mr. Putprush advocates for more residential in the downtown as the residents will support the nearby retail and businesses. To summarize, Mr. Block said that although we have the existing zoning in place, there are market forces and conditions outside of the zoning that have been prohibiting the full realization of the goals for this village concept. In response to Mr. Halpern's question about what incentives the town offers to developers, Mr. Block stated that the town offered a TIF (Tax Increment Financing) to Trip Advisor but that no other TIFs have been created since that time. In addition, there is an Affordable Housing Trust Fund that developers can contribute to as an incentive.

At the next meeting, after getting clarification on the height differences for Needham Center Overlay Districts A and B, the sub-committee agreed they should come to a decision as to whether to pursue any zoning changes which would also include building setbacks as discussed at a prior meeting. Mr. Block suggested that members of the sub-committee begin to think about what the next district should be that the group should analyze and go through a similar exercise as they did with Needham Center and Chestnut Street.

In closing, Mr. Block provided an update on the effort to adopt new zoning to allow for breweries in town, an effort that was initiated by Ms. Haelsen back in the fall of 2020. The Planning Board held a public hearing on the matter the night before with good feedback from residents including a request that there be a buffer between breweries and residential areas. Mr. Block is hopeful that the zoning article will be voted on at May Town Meeting.

The meeting was adjourned at 9:51 a.m.