



Boston Children's Hospital



**HARVARD MEDICAL SCHOOL
TEACHING HOSPITAL**

Boston Children's Hospital Proposed Zoning Amendment

Needham Select Board
May 27, 2020





Agenda

- **Proposed Zoning Amendment**
 - New special permit use in the New England Business Center
- **Planning Board Review**
- **Proposed Agreements**
 - Agreement Regarding Payments in Lieu of Taxes
 - Host Community Agreement
- **Additional Economic/Community Benefits**
- **Questions and Comments**

Proposed Zoning Amendment

New England Business Center



Summary of Proposed Zoning Amendment

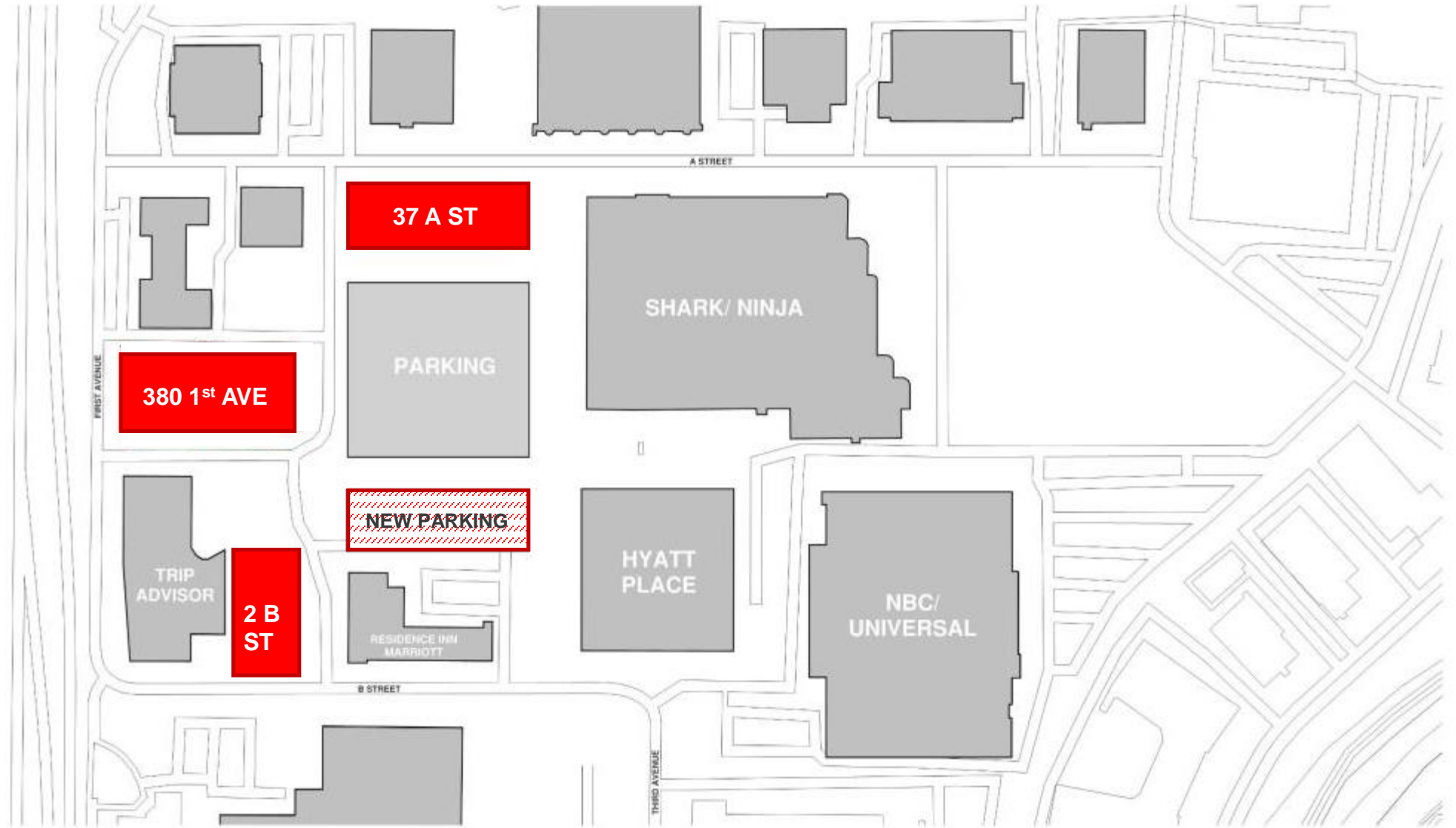
1. Define Pediatric Hospital
2. Create a new “Pediatric Medical Facility” use allowed by special permit in the New England Business Center
 - Must be owned, operated or managed by a Pediatric Hospital
3. Establish a parking requirement of one (1) parking space per 290 square feet of floor area in a Pediatric Medical Facility

Planning Board Review

New England Business Center



Approved Site Plan



Estimated Parking Requirements Summary

Metric	Estimated Parking Supply ¹	
	Spaces	Rate (spaces/1,000sf)
Proposed Zoning Standard ²	1,559	3.45
Operational Assessment	1,484	3.28
Satellite Campus/ Comparable Assessment	1,298	2.87

Note:

1. Includes 380 1st Avenue, 37 A Street and 2 B Street, for a total development envelope of 452ksf.
2. One (1) parking space per 290 SF of floor area in a Pediatric Medical Facility

Anticipated Trip Generation Comparison

- Actual (counted) trips generated by Founder's Park (constructed buildings as of October 2019) are significantly lower than the approved trip generation estimates
- With Boston Children's Hospital in place and Founder's Park fully constructed:
 - AM Peak Hour trips will be similar to the approved trip generation estimates (1% increase)
 - PM Peak Hour trips will be slightly higher than the approved trip generation estimates (6% increase)
- Actual Project trips of Boston Children's Hospital facilities and unconstructed Founder's Park buildings are also expected to be lower than the Institute of Transportation Engineers (ITE) Trip Gen estimates used in this analysis

Peer Review

- BETA Group, Inc. was engaged by the Town as a Peer Review Consultant to review Parking and Trip Generation materials
- BETA concluded that the proposed parking ratio is acceptable and that the Trip generation information is accurate

Proposed Agreements

Agreement Regarding Payment in Lieu of Taxes (PILOT)

- **Children's will make an annual PILOT payment to the Town**
 - Equal to the amount that would be otherwise due to the Town in property taxes for office use
 - Adjusted each year based on the percentage increase or decrease in the overall tax levy of the Town (may increase up to 4%)

- **Agreement effective upon issuance of building permit**
 - Percentage of payment amount due each year during construction period is equal to the percentage of completion of construction of the Project on June 30th
 - Full PILOT amount shall commence upon final certificate of occupancy for the Project

- **Vacant building sites taxed as vacant land in the Town's usual manner; PILOT payments required if and when development of a site proceeds**

Host Community Agreement (HCA)

- **Early payments in recognition of Town's emerging challenges**
 - \$200,000 upon building permit issuance
 - \$200,000 upon reaching 50% completion of the Project
- **Annual Community Benefits Payments**
 - \$200,000 annually, commencing on certificate of occupancy
- All payments adjusted to account for State DPH Determination of Need Health Funding Payments made by Children's to the Town or organizations providing youth services within the Town (if approved by Select Board)
- All payments are made to the Town in support of the Town's youth services and in lieu of personal property tax payments
- Agreement sets forth proposed Transportation Demand Management and Sustainable Design Measures anticipated for the Project
- Children's will consider recommendations from Needham High School regarding qualified applicants for its "COACH" summer internship program

Additional Economic/Community Benefits

Prospective Needham Economic and Community Benefits



- Food, lodging and associated town revenues
- Needham site would be an innovation hub for Boston Children's clinical research and education
- Patient volume: attracting patients and families regionally, nationally and internationally
- Current Boston Children's employees:
250+ Needham residents work system-wide, including 50 physicians
- Strong track record of community benefits support to local partners
- Commitment to civic engagement in local youth-serving efforts
- Local health planning and funding related to state Determination of Need

Proposed Needham Satellite – Construction Impacts

- Construction for the proposed Needham location, planned to take place from 2022-2025, would mean to the town of Needham....
 - **\$130M** in economic impact
 - **680 jobs**
 - **\$1.2M** in state and local tax revenue

STUDY PROFILE

Methodology: IMPLAN

Geographies: Town of Needham, Mass. (ZIP codes 02492 and 02494) and the Commonwealth of Massachusetts

Data Source: Impacts generated are based on information prepared by Tripp Umbach for Boston Children's Hospital in connection with Tripp Umbach's analysis of the economic impacts of Boston Children's plans for a location in Needham as of March 13, 2020.

Proposed Needham Satellite – Annual Operations

- Beginning in 2025, operations of the Boston Children’s Needham site would mean...
- **\$52M** in increased economic activity in Needham
 - **\$28M** in direct impacts in pay, benefits, medical equipment, etc.
 - **\$24M** in indirect and induced impacts with additional spending in restaurants, hotels, rental housing, grocery stores, etc.
- **455 jobs** supported or sustained locally
 - **200 direct jobs** such as doctors, nurses and support staff, etc.
 - **255 indirect and induced jobs** such as servers, gas station attendants, real estate agents, etc.

STUDY PROFILE

Methodology: IMPLAN

Geographies: Town of Needham, Mass. (ZIP codes 02492 and 02494) and the Commonwealth of Massachusetts

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Conclusion



- Zoning Amendment to allow a Pediatric Medical Facility in the New England Business Center by special permit
- Significant community and economic benefits consistent with the Town's goals for the New England Business Center
- We request approval of the PILOT and HCA

Questions and Comments