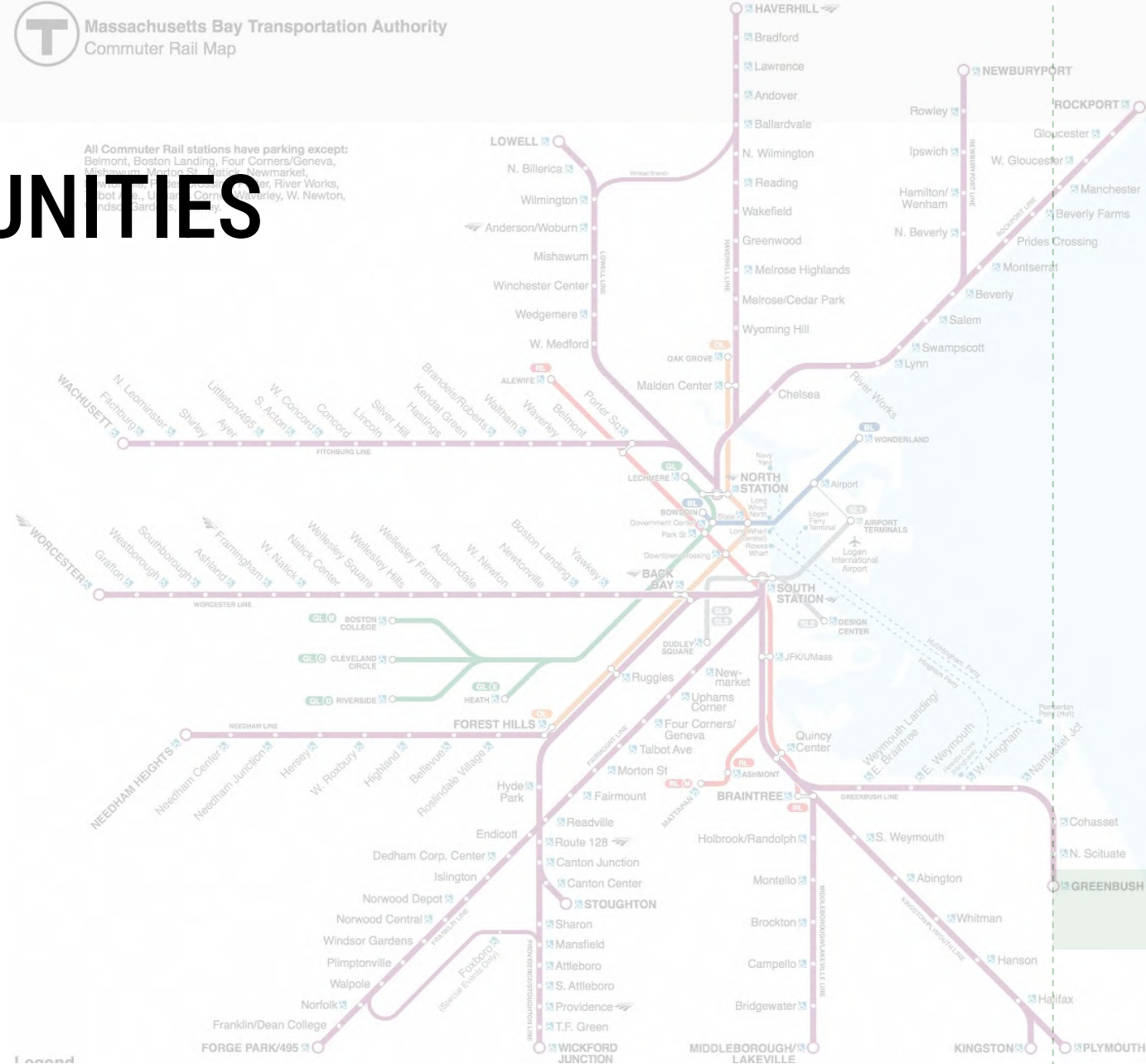


NEEDHAM MBTA COMMUNITIES

MBTA DISTRICT SCENARIOS

Public Meeting #3
March 28, 2024





Content

HONE Draft Scenarios

Propensity for Change Models

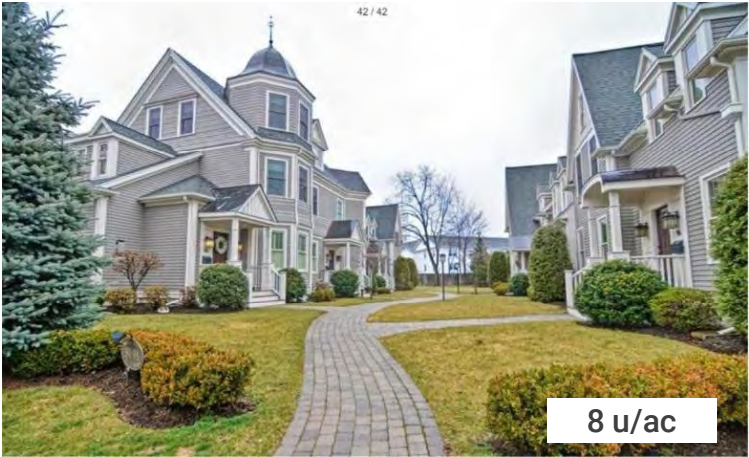
Fiscal Impact Results

Affordability

Existing Needham Multifamily Housing



1110 Great Plain Avenue



90-98 Dedham Avenue



401-405 Hunnewell Street



The Highlands



Denmark Lane



25 High Street

Existing Needham Multifamily Housing



Stephen Palmer



50 Dedham Avenue



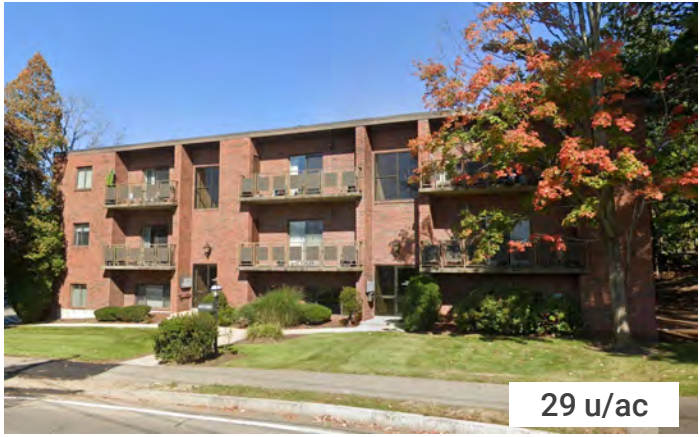
100 West Street



Rosemary Ridge



Charles River Landing



Rosemary Lake

Other Examples of Multifamily Housing



Townhomes



3-4 story multifamily



Live-work townhomes



3-story multifamily



3-story multifamily

Other Examples of Mixed-Use Multifamily Housing



2-3 story MXU multifamily



2-3 story MXU multifamily



3-story MXU multifamily



3-story MXU multifamily



3½-story MXU multifamily



3-story MXU multifamily

Sample Image of Street with Multifamily Housing



Sample Image of Street with Multifamily Housing



Sample Image of Street with Multifamily Housing

3 Stories



Sample Image of Street with Multifamily Housing

3.5 Stories



HONE Draft Scenarios

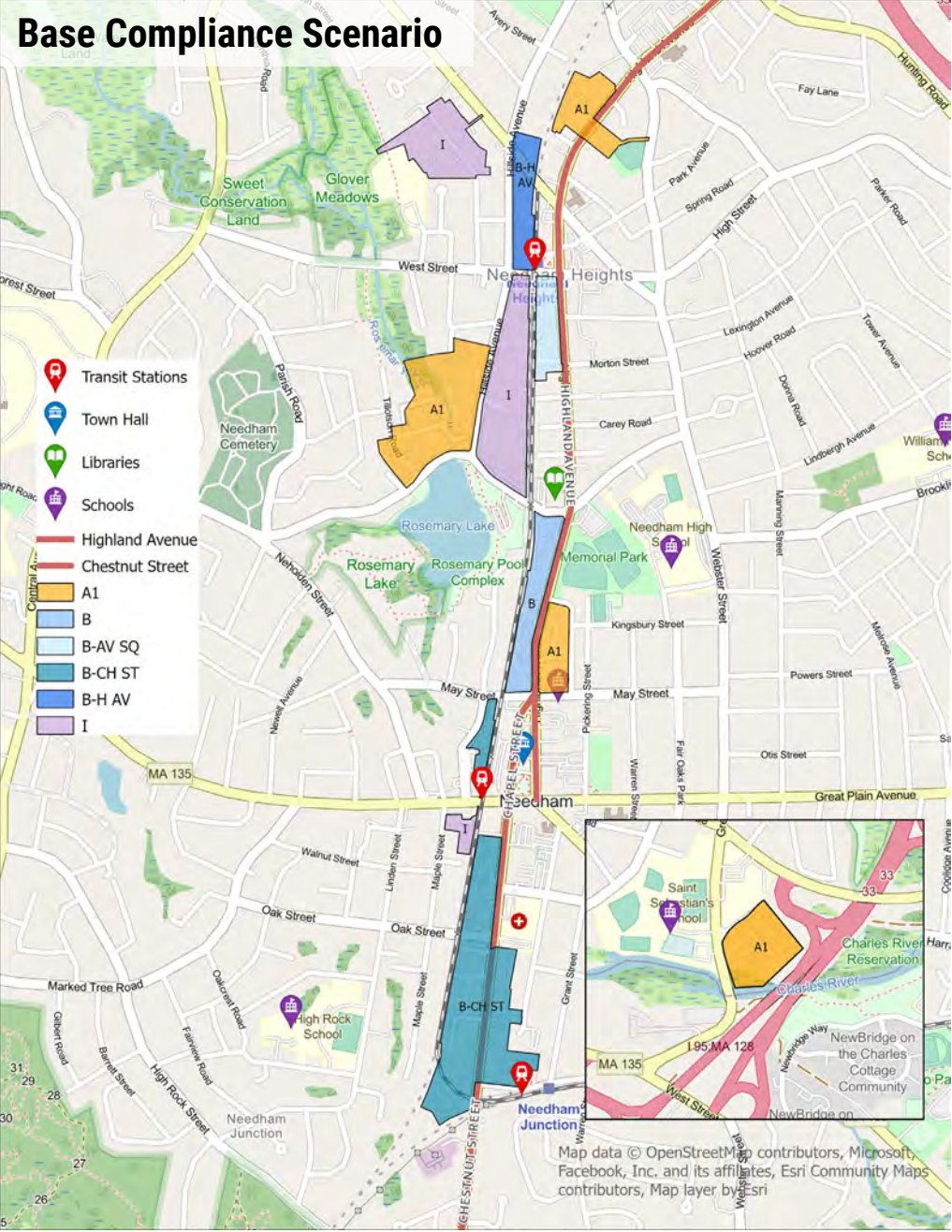
After months of work, HONE is putting forth two draft scenarios for the community's consideration:

- 1. Base Compliance Plan** – A scenario that adheres very closely to the zoning boundaries and dimensional standards in Needham's current Zoning Bylaw. This scenario is intended to meet the minimum compliance requirements of the MBTA Communities Act.
- 2. Neighborhood Housing Plan** – A scenario that increases dimensional standards and the number of units that can be built on a parcel of land as a way to encourage housing production and respond to the goals in Needham's Housing Plan. This scenario is intended to meet and exceed the minimum compliance requirements of the MBTA Communities Act.

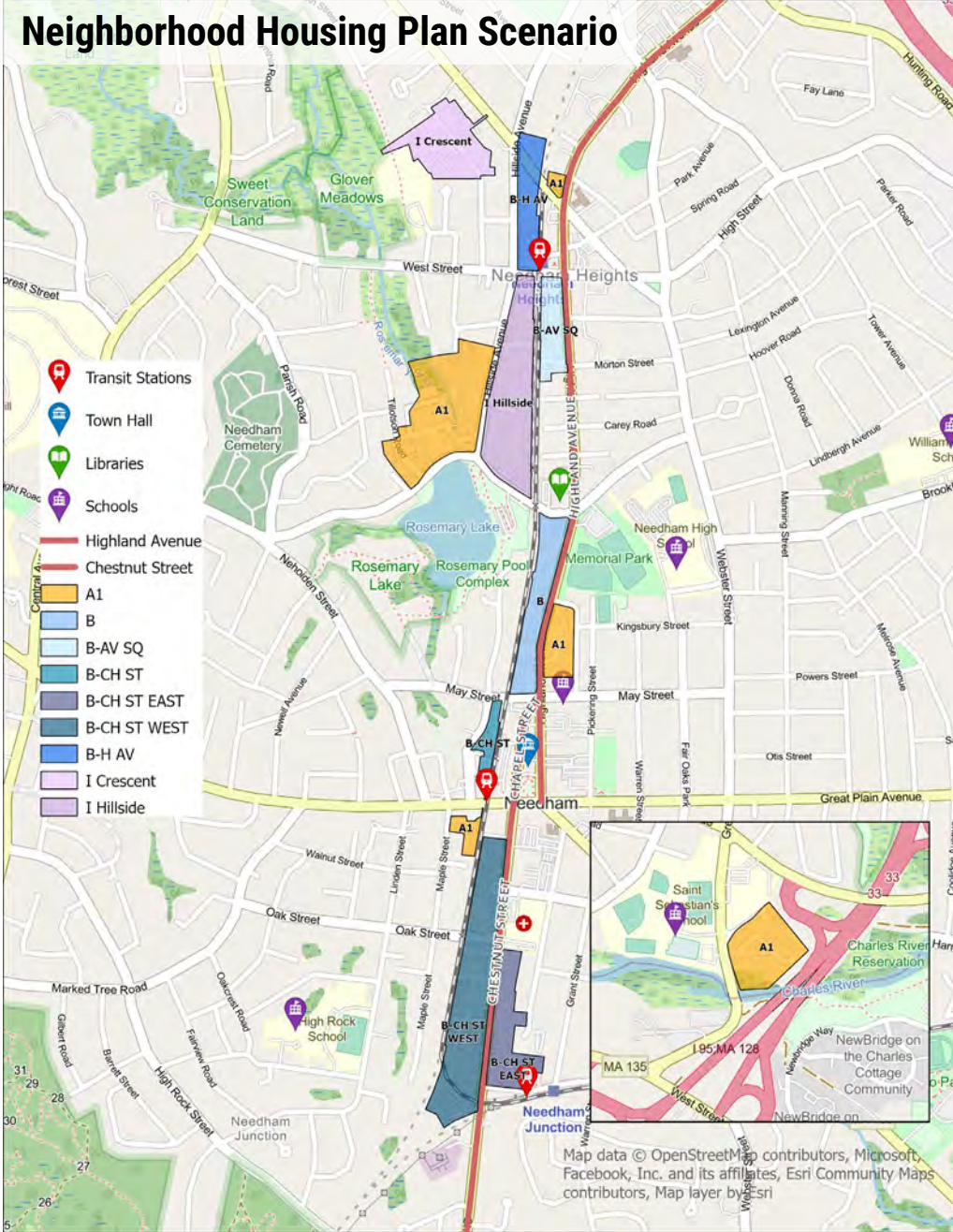
Needham's Minimum MBTA Communities Requirements:

- Acreage: 50 Acres
- Unit Capacity: 1,784 Units (*capacity is measured by zoning, not by actual units built nor by existing multifamily units*)
- Percent in Transit Areas: 90%
- Density: 15 Dwelling Units per Acre

Base Compliance Scenario



Neighborhood Housing Plan Scenario



Base Height /
Neighborhood
Housing Height

Chestnut
Street West

3/4.5

Roche
Bros.

Chestnut
Street East

VFW

3/3.5

Chestnut
Street West

3/4.5

Hartney
Greyment

Junction Street

Chestnut Street

Lincoln Street

Warren

Base Height /
Neighborhood
Housing Height

3/4.5

Chestnut
Street West

Chestnut Street
West

3/4.5

Roche
Bros.

Dunkin
Donuts

Chestnut Street
East

3/3.5

VFW

Junction Street



Base Height /
Neighborhood
Housing Height

Industrial,
Apt-A1
3/4

Chestnut
Street West

3/4.5

Town Common

CVS

Public Safety
Building

School Street

Great Plain Avenue

Dedham
Avenue

Grant
Street

Lincoln Street

Street

Oak Street

Chestnut Street

16

Base Height /
Neighborhood
Housing Height

Chestnut St.
Garden

3/3.5

Industrial,
Apt-A1

3/4

St. Joe's

May Street

Highland Avenue

Town Hall

Town Common

Chapel Street

Garden Street

Great Plain Avenue

Harvey's

Michelson's

Dedham Avenue

Chestnut Street

Maple Street

Linden Street

Base Height /
Neighborhood
Housing Height

Needham
Library

Needham
High School

Bertucci's

3 / 4

Apartment
A1

Business
District

3/4.5

Highland Avenue

St. John's

3/-

May Street

May Street

Base Height /
Neighborhood
Housing Height

Avery
Square
Business

100 West
Street

Rosemary Ridge

Apartment
A1

3 / 4

Rosemary Lake
Apartments

Industrial -
Hillside

3 / 3

Rosemary Lake

Rosemary Street

Highland Avenue



Base Height /
Neighborhood
Housing Height

Industrial -
Crescent

3 / 3

Apartment
A1

3 / -

Hillside
Ave.
Business

3 / 3

A1 - / 4

CATH

West Street

West Street

Avery
Square
Business

100 West
Street

Industrial -
Hillside

3 / 3

3 By Right,
4 Special
Permit

Hillside Avenue

Highland Avenue

Trader
Joe's

Base Height /
Neighborhood
Housing Height

Apartment
A1

3 / 4

It is important to recognize these districts already have housing in them and zoning that regulates what can be built there today:

Zoning District	Scenario Name		
	Existing Units	Existing Zoning Unit Capacity	Existing Zoning with Overlay Special Permit Unit Capacity
Apartment A1	588	526	526
Business	4	N/A	N/A
Avery Square Business	72	77	77
Chestnut Street	46	370	987 ¹
Hillside Ave Business	44	46	46
Industrial	21	N/A	N/A
TOTAL UNITS	775	1,019	1,636

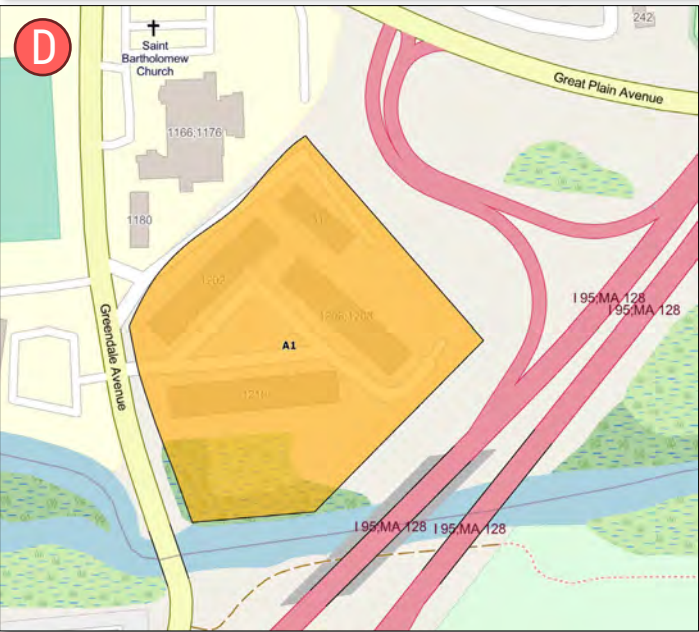
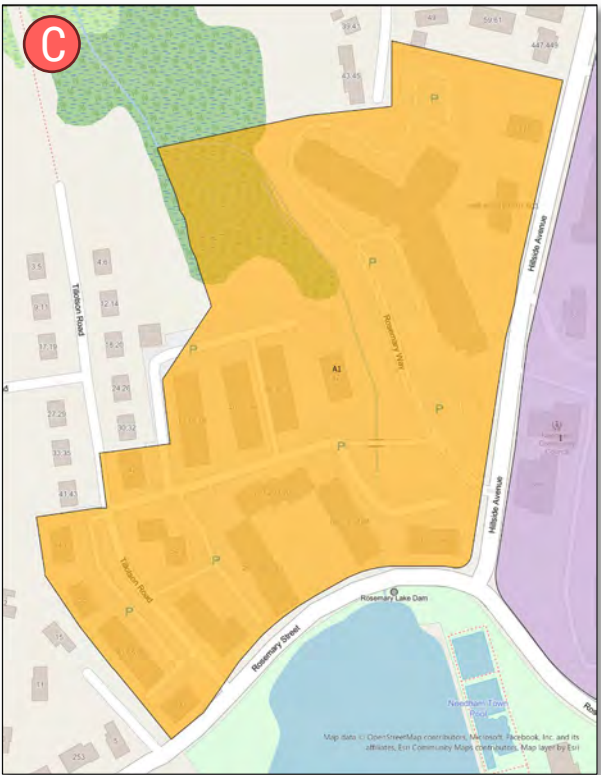
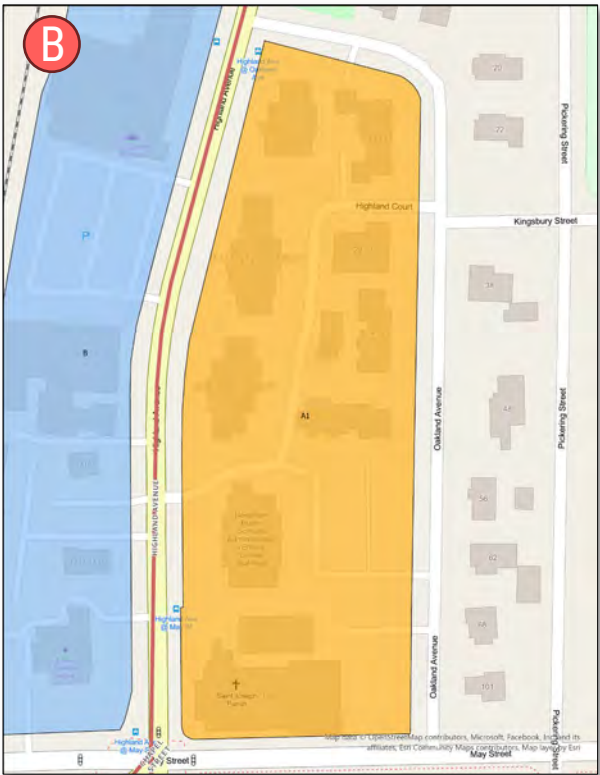
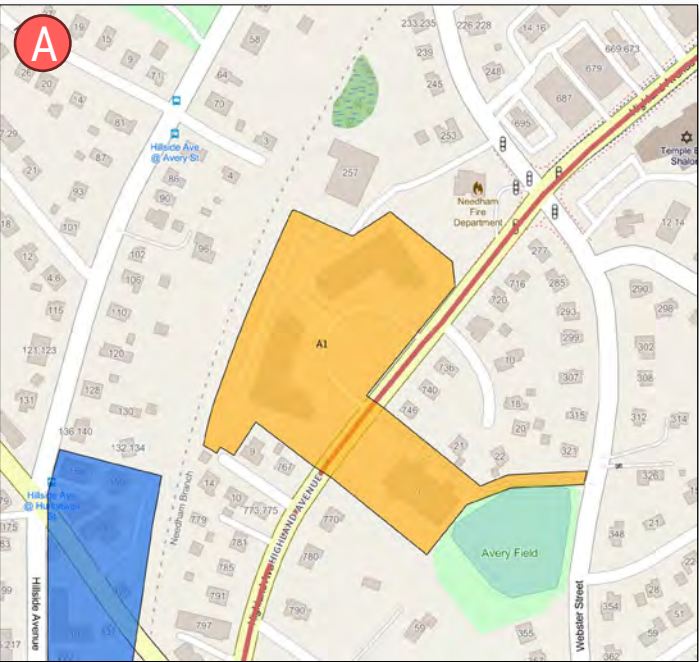
¹ Number represents capacity of Chestnut Street utilizing the overlay district.

Comparison of Scenarios

How do the HONE Draft Scenarios compare?

Zoning District	Scenario Name: Unit Capacity				
	Existing Units	Existing Zoning Unit Capacity	Existing Zoning with Overlay Special Permit Unit Capacity	Base Compliance Plan Unit Capacity	Neighborhood Housing Plan Unit Capacity
Apartment A1	588	526	526	526	877
Business	4	N/A	N/A	210	305
Avery Square Business	72	77	77	187	187
Chestnut St. East	46	370	987	370	412
Chestnut St. West					912
Chestnut St./Garden St.					75
Hillside Ave Business	44	46	46	80	62
Industrial – Crescent	21	N/A	N/A	495	184
Industrial – Hillside					325
TOTAL UNITS	775	1,019	1,636	1,868	3,339

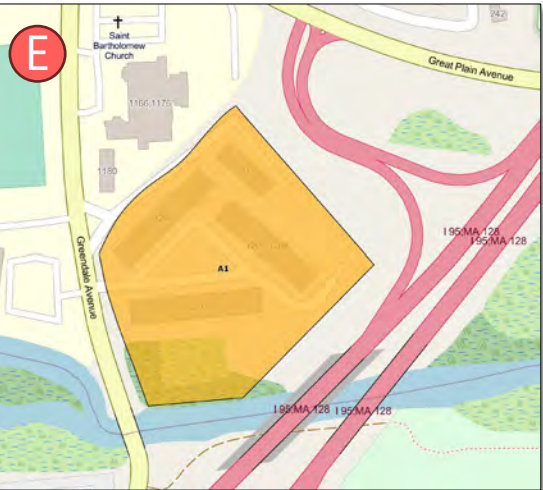
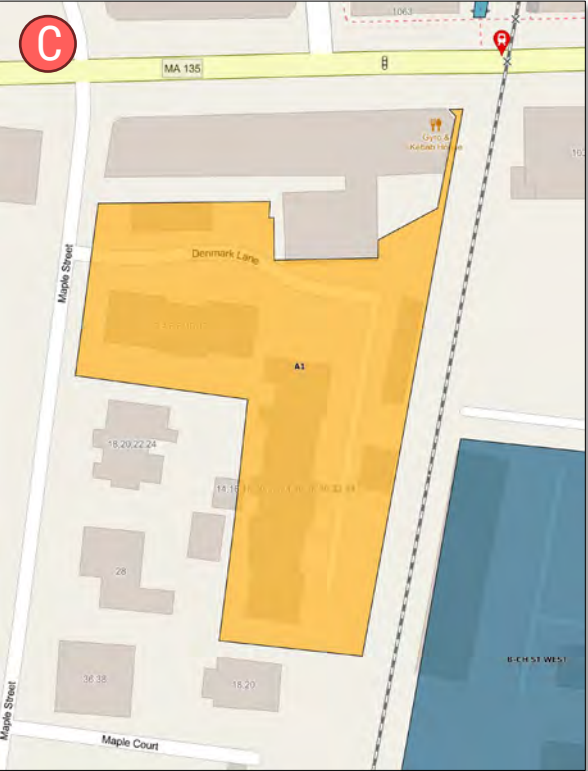
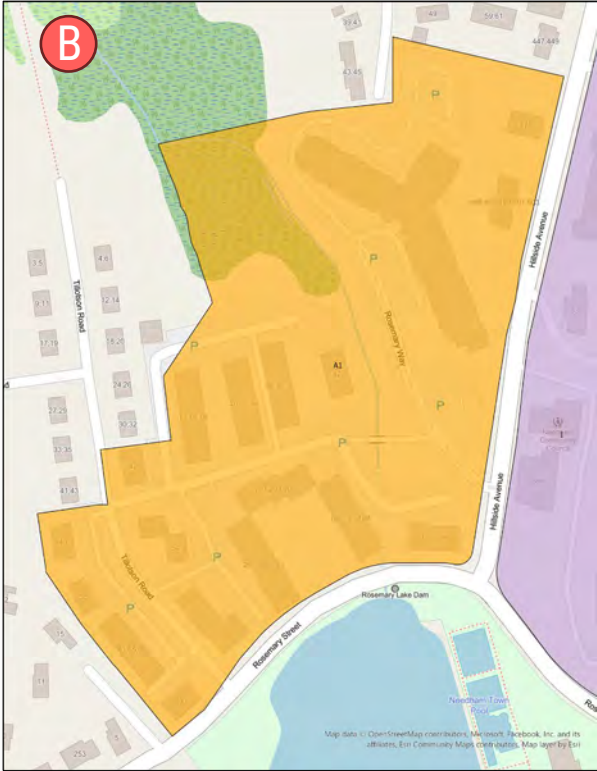
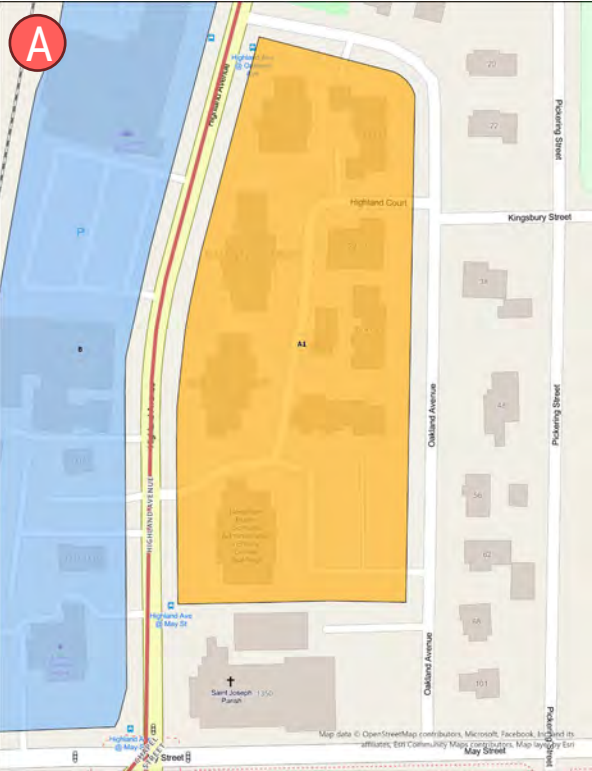
Scenario Comparison – Apartment A1 Subdistricts – Base Compliance



- A** Avery School/Hamilton Highlands
- B** The Highlands, NPS, St. Joseph (Highland Ave/May St.)
- C** Rosemary Ridge, Petrini Apts. (Rosemary St./Hillside Ave)
- D** Charles Court Condos

Zoning Standards	Existing Zoning	Base Compliance
Minimum Lot Size	20,000 SF	20,000 SF
Height (Stories)	3	3
Floor Area Ratio (FAR)	0.50	0.50
Max Lot Coverage	N/A	N/A
Max Dwelling Units per Acre	18	18
Parking per Unit	1.5	1.0

Scenario Comparison – Apartment A1 Subdistricts – Neighborhood Housing Plan

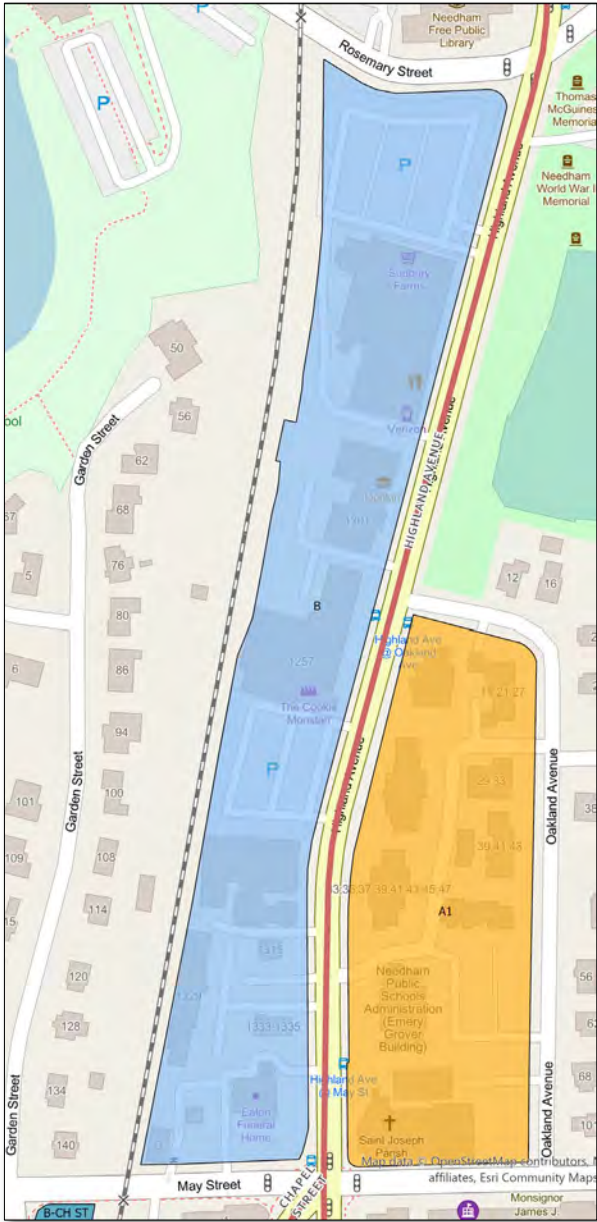


Zoning Standards	Existing Zoning	Base Compliance	Housing Plan
Minimum Lot Size	20,000 SF	20,000 SF	20,000 SF
Height (Stories)	3	3	4
Floor Area Ratio (FAR)	0.50	0.50	1.0
Max Lot Coverage	N/A	N/A	N/A
Max Dwelling Units per Acre	18	18	36
Parking per Unit	1.5	1.0	1.0

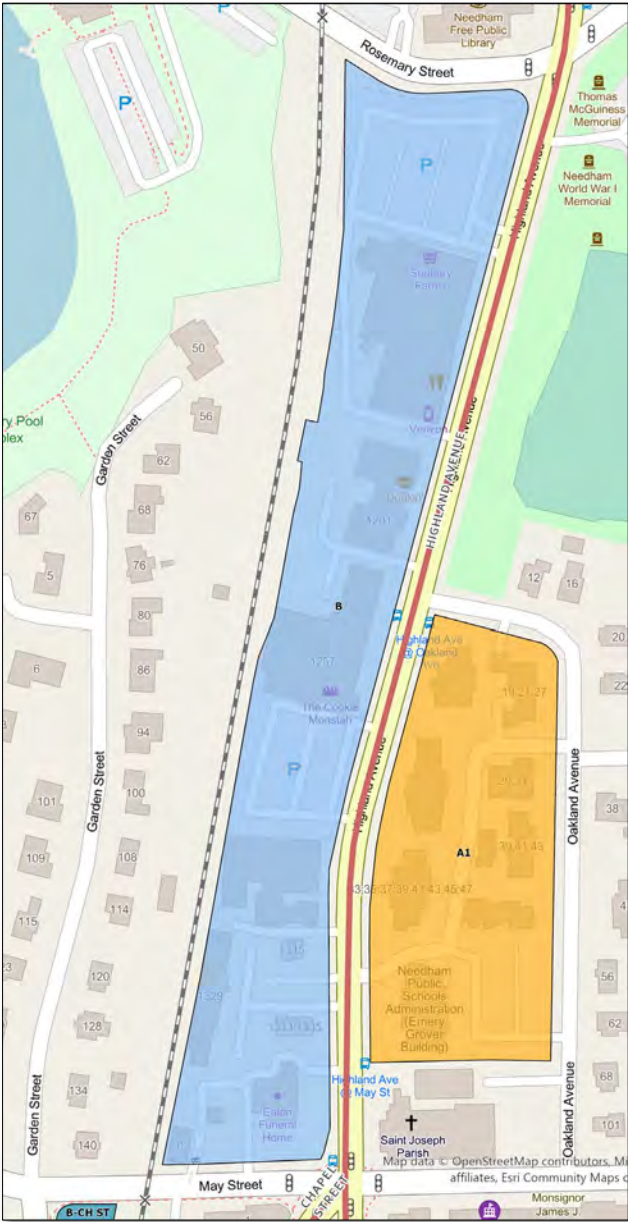
- A** The Highlands, NPS (Highland Ave/May St.)
- B** Rosemary Ridge, Petrini Apts. (Rosemary St./Hillside Ave)
- C** Denmark Lane (Great Plain Ave/Maple St.)
- D** Hunnewell St & Highland Ave
- E** Charles Court Condos

Scenario Comparison – Business Subdistricts

Base Compliance



Neighborhood Housing Plan



Zoning Standards	Existing Zoning	Base Compliance	Housing Plan
Minimum Lot Size	10,000 SF	10,000 SF	10,000 SF
Height (Stories)	3	3	4
Floor Area Ratio (FAR)	N/A	N/A	2.0
Max Lot Coverage	25%	25%	N/A
Max Dwelling Units per Acre	N/A	N/A	N/A
Parking per Unit	1.5	1.0	1.0

Under existing zoning, housing is not allowed in this district.

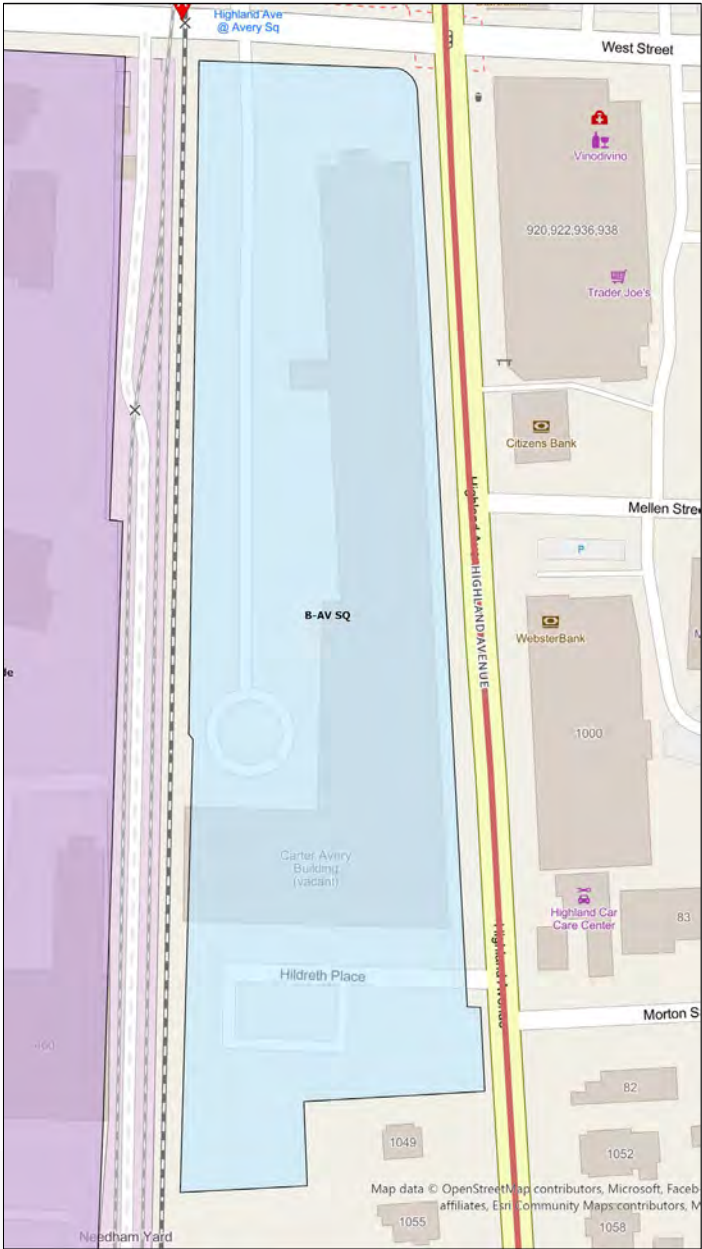
Under the Neighborhood Housing Plan Scenario:
HONE is also proposing to allow 4.5 stories as-of-right if the building includes first floor commercial.

Scenario Comparison – Avery Square Subdistricts

Base Compliance



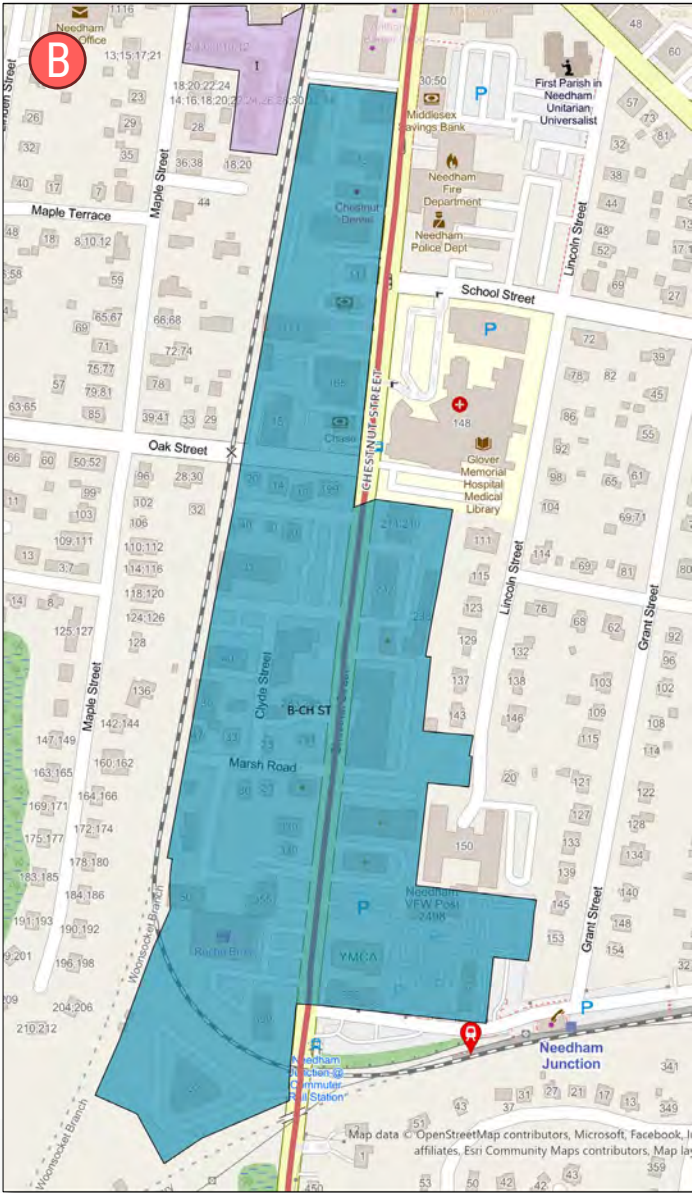
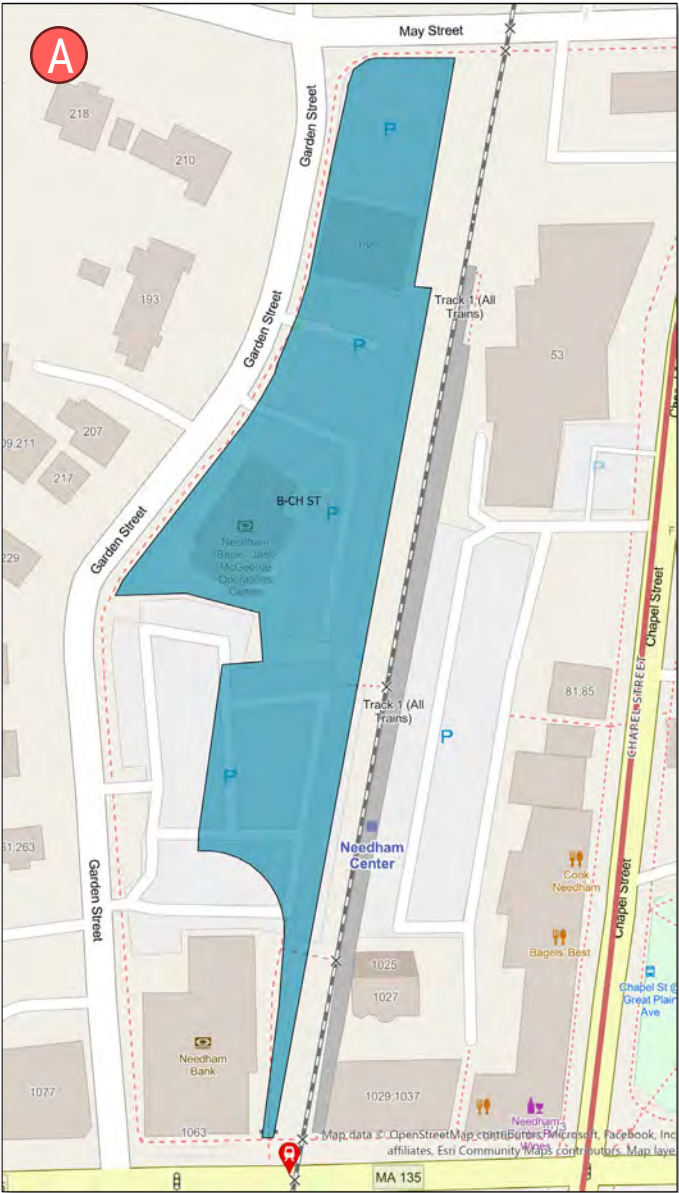
Neighborhood Housing Plan



Zoning Standards	Existing Zoning	Base Compliance	Housing Plan
Minimum Lot Size	10,000 SF	10,000 SF	10,000 SF
Height (Stories)	4 ¹	3	3
Floor Area Ratio (FAR)	0.70	1.0	1.0
Max Lot Coverage	N/A	N/A	N/A
Max Dwelling Units per Acre	18	N/A	N/A
Parking per Unit	1.5	1.0	1.0

Under the Base and Neighborhood Housing Plan Scenarios: HONE is also proposing to allow 4 stories and an FAR of 1.4 by Special Permit and it would only apply to the 100 West parcel.

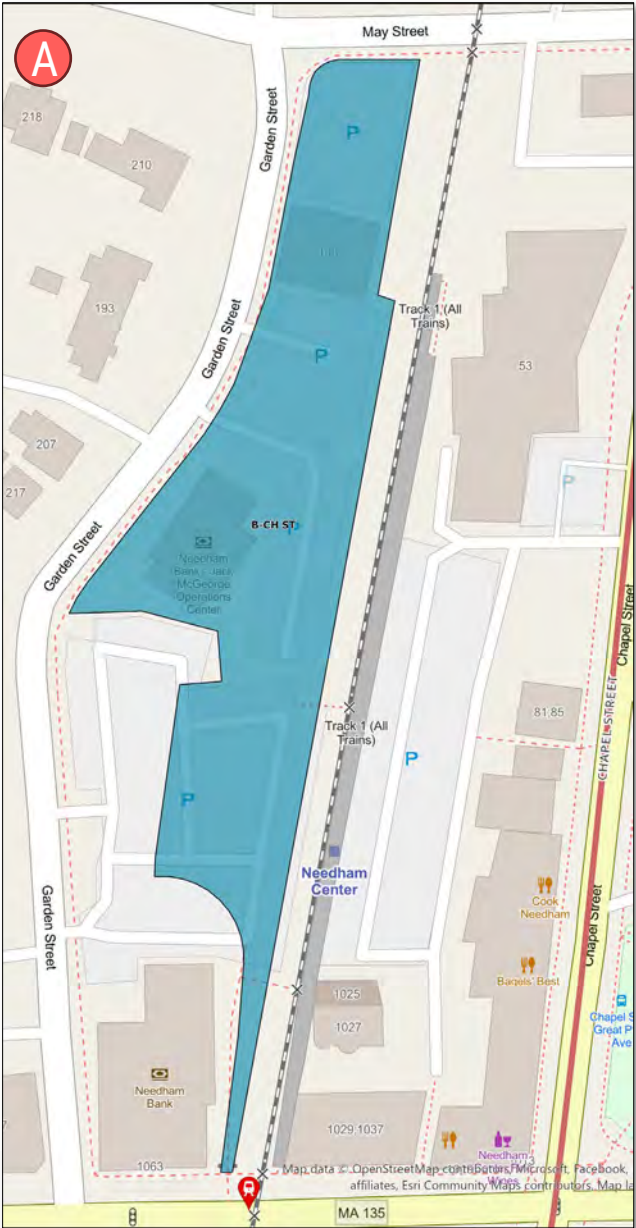
¹ Under existing zoning 4th story limited to 35% of total roof area.



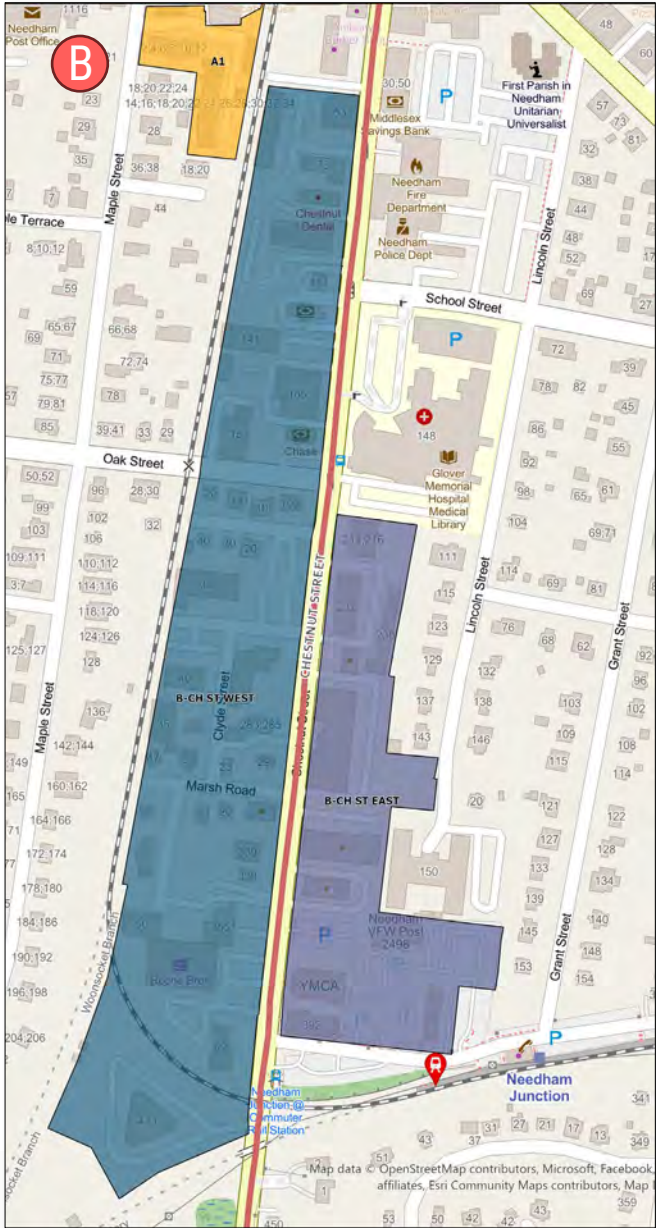
- A** Garden Street District between May St. and Great Plain Ave
- B** Chestnut St. from just south of Great Plain Ave to Junction St.

Zoning Standards	Existing Zoning	Base Compliance
Minimum Lot Size	10,000 SF	10,000 SF
Height (Stories)	2.5	3
Floor Area Ratio (FAR)	0.70	0.70
Max Lot Coverage	N/A	N/A
Max Dwelling Units per Acre	18	18
Parking per Unit	1.5	1.0

Garden Street District



Chestnut St. East and West



Zoning Standards	Existing Zoning	Existing Zoning - Overlay	Base Compliance	Housing Plan
Minimum Lot Size	10,000 SF	10,000 SF	10,000 SF	10,000 SF
Height (Stories)	2.5	4	3	3 (East/Garden) 4 (West)
Floor Area Ratio (FAR)	0.70	2.0	0.70	2.0
Max Lot Coverage	N/A	N/A	N/A	N/A
Max Dwelling Units per Acre	18	N/A	18	N/A
Parking per Unit	1.5	1.5	1.0	1.0

Under the Neighborhood Housing Plan Scenarios HONE is also proposing:

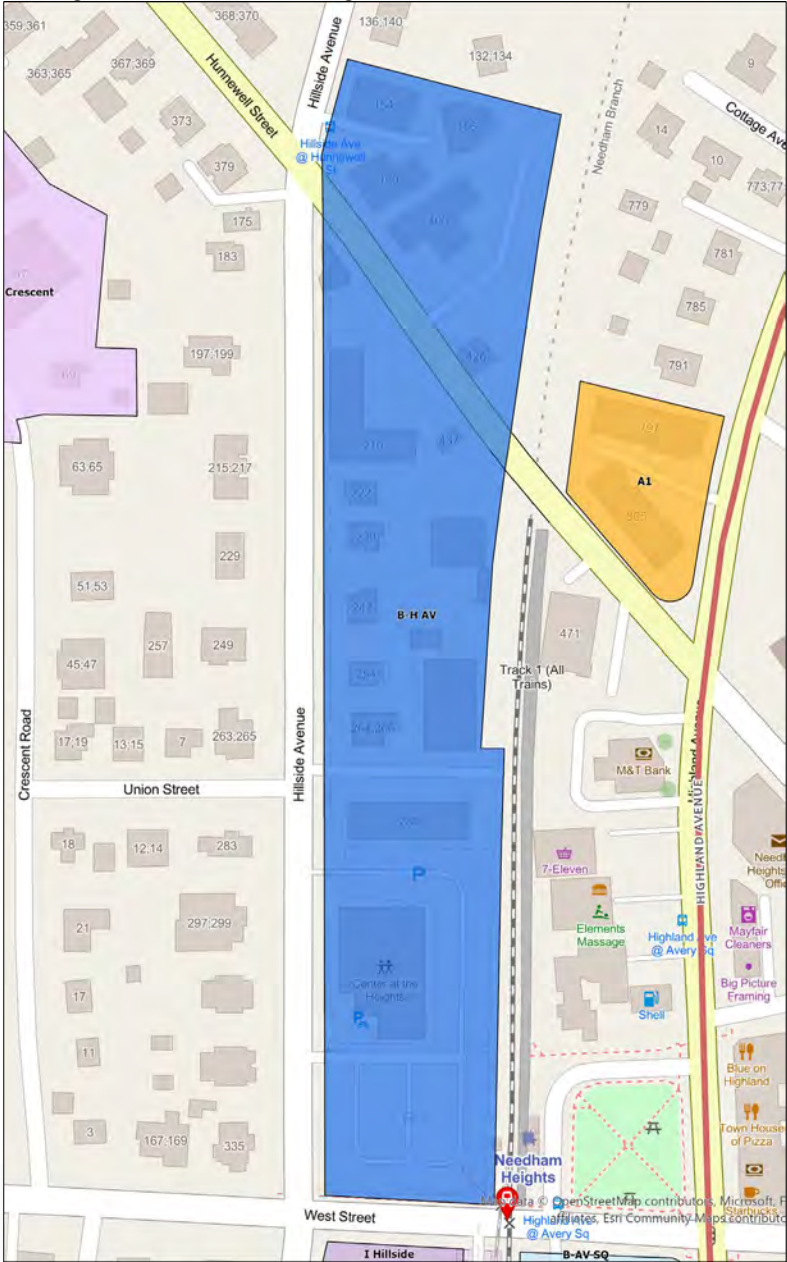
- Chestnut East – 3.5 stories as-of-right if the building includes first floor commercial.
- Chestnut West – 4.5 stories as-of-right if the building includes first floor commercial.
- Chestnut/Garden Street - 3.5 stories as-of-right if the building includes first floor commercial.

Scenario Comparison – Hillside Ave Business Subdistricts

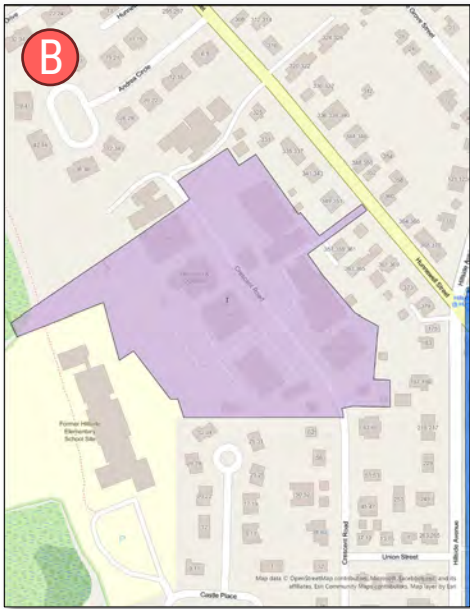
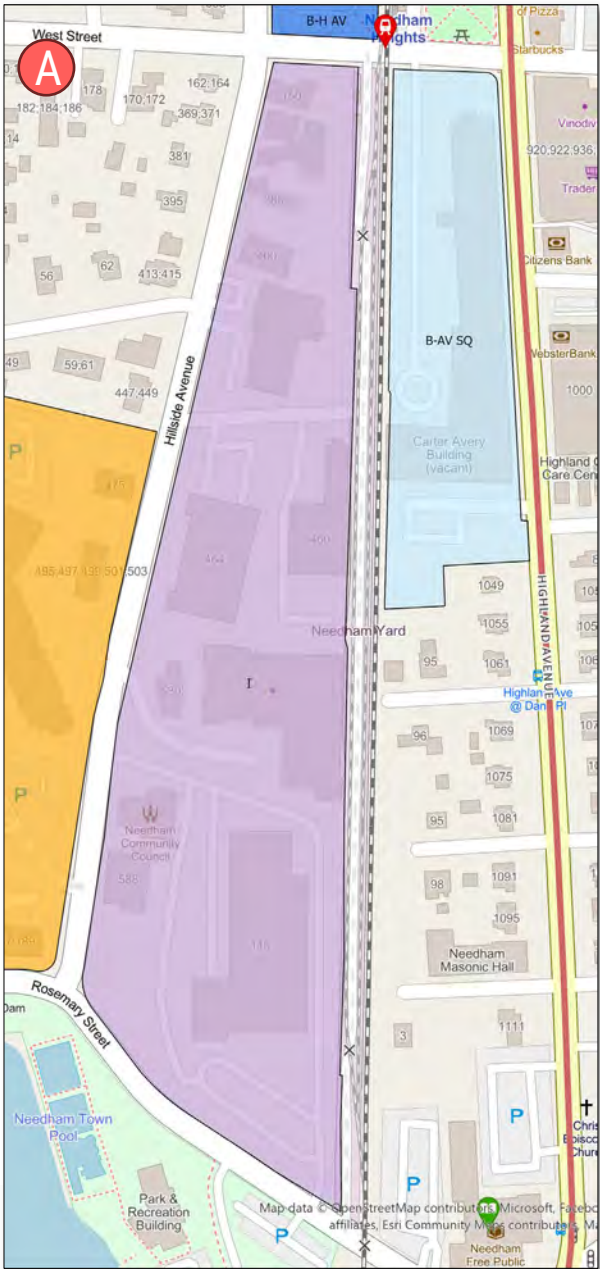
Base Compliance



Neighborhood Housing Plan



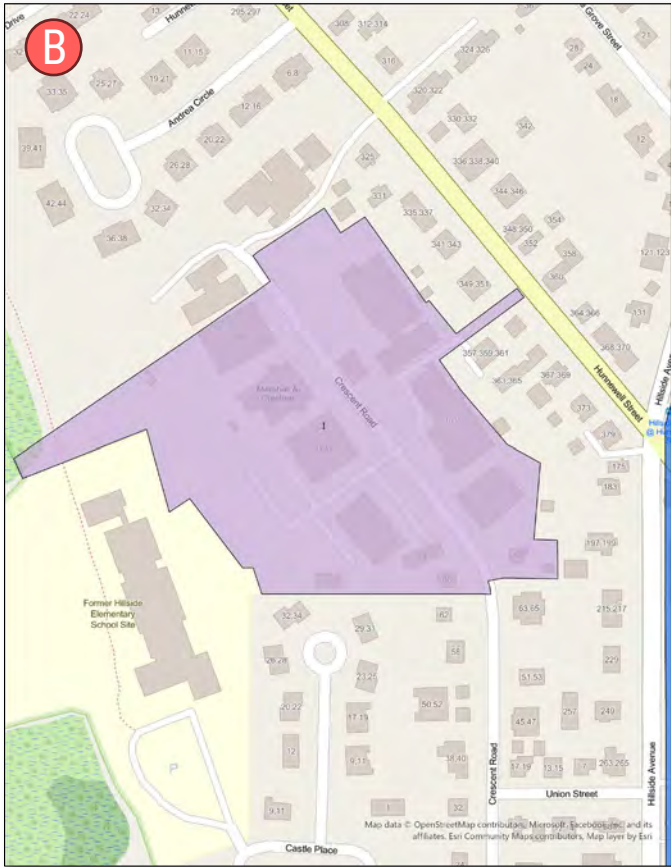
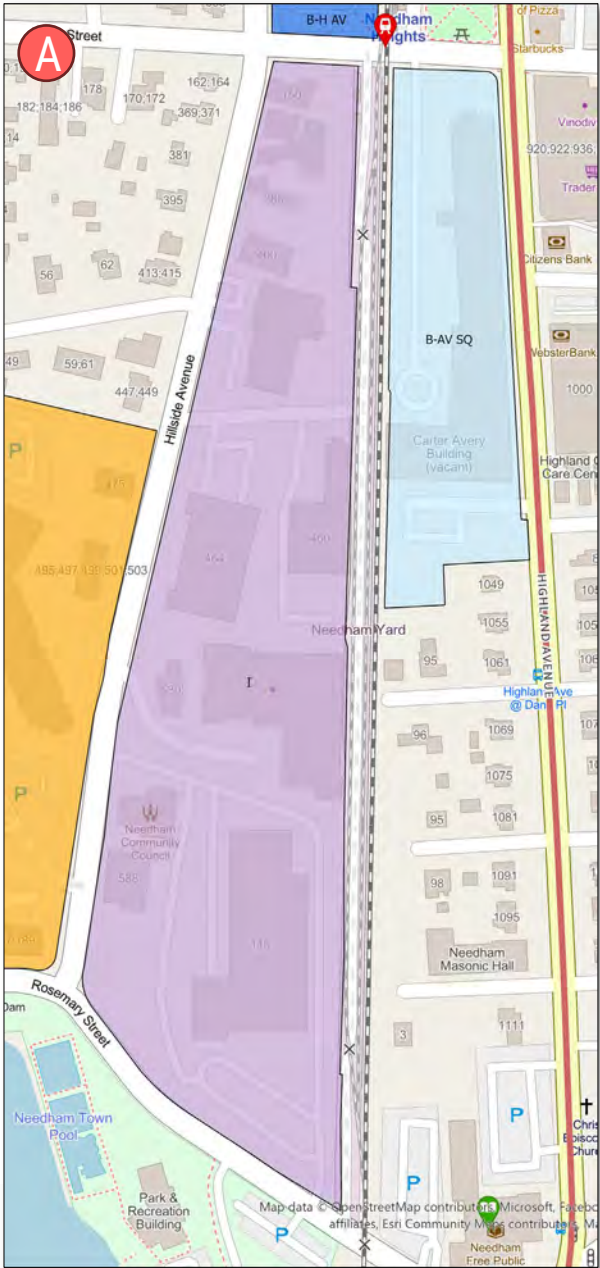
Zoning Standards	Existing Zoning	Base Compliance	Housing Plan
Minimum Lot Size	10,000 SF	10,000 SF	10,000 SF
Height (Stories)	2.5	3	3
Floor Area Ratio (FAR)	0.70	0.70	1.0
Max Lot Coverage	N/A	N/A	N/A
Max Dwelling Units per Acre	18	N/A	24
Parking per Unit	1.5	1.0	1.0



- A** Hillside Ave from West St. to Rosemary St.
- B** Crescent Road Industrial District
- C** Denmark Lane off Maple St. at Great Plain Ave

Zoning Standards	Existing Zoning	Base Compliance
Minimum Lot Size	10,000 SF	10,000 SF
Height (Stories)	3	3
Floor Area Ratio (FAR)	N/A	0.50
Max Lot Coverage	60%	N/A
Max Dwelling Units per Acre	N/A	N/A
Parking per Unit	1.5	1.0

Under existing zoning, housing is not allowed in this district.



- A** Hillside Ave from West St. to Rosemary St.
- B** Crescent Road Industrial District

Note: Denmark Lane Industrial Subdistrict becomes Apartment A1 under the Neighborhood Housing Plan Scenario.

Zoning Standards	Existing Zoning	Base Compliance	Housing Plan
Minimum Lot Size	Housing not Allowed	10,000 SF	10,000 SF
Height (Stories)		3	3
Floor Area Ratio (FAR)		0.50	0.75 in Crescent 1.0 in Hillside
Max Lot Coverage		N/A	N/A
Max Dwelling Units per Acre		N/A	24
Parking per Unit		1.0	1.0

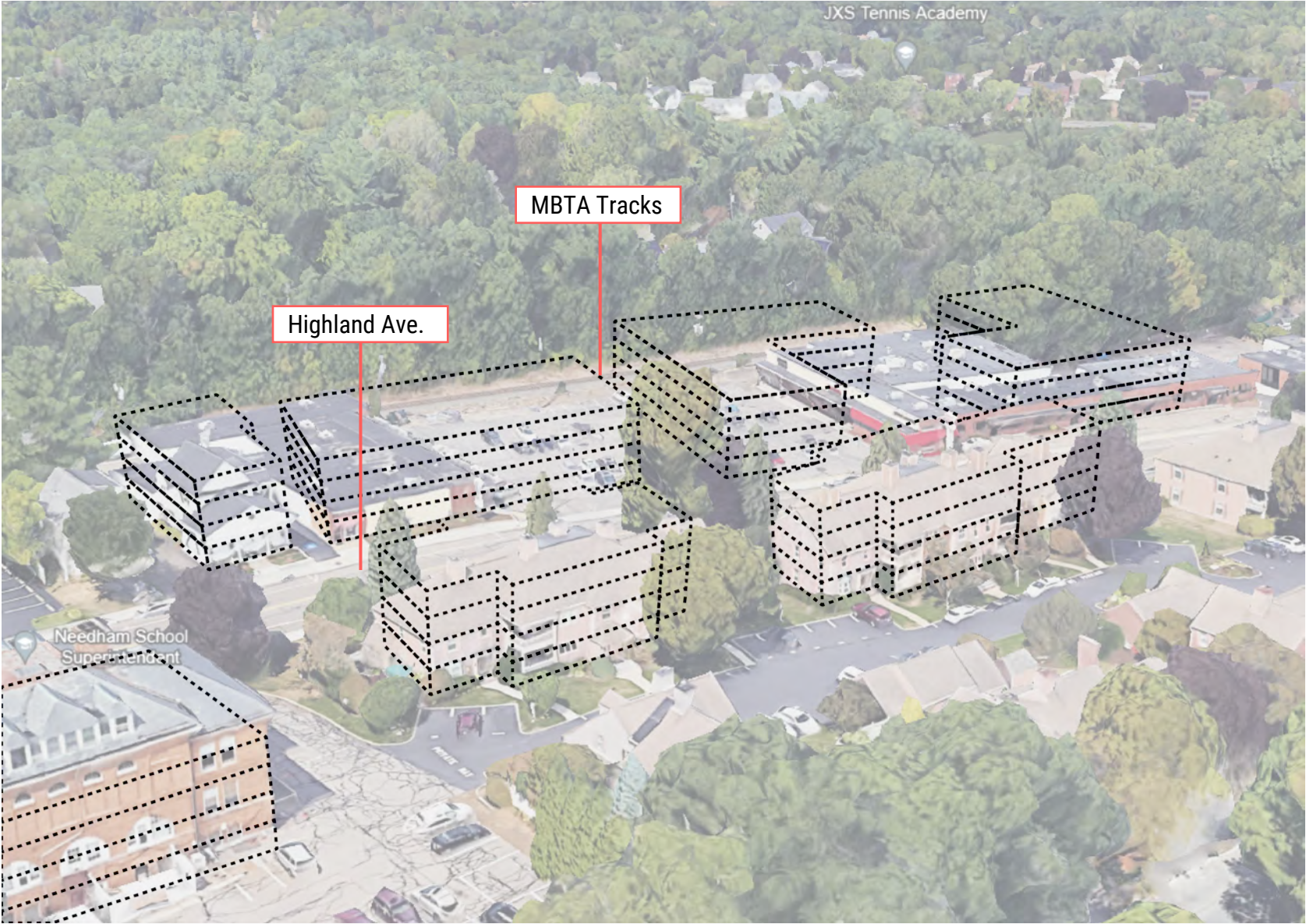
Zoning District	Scenario Name: Unit Capacity				
	Existing Units	Existing Zoning Unit Capacity	Existing Zoning with Overlay Special Permit Unit Capacity	Base Compliance Plan Unit Capacity	Neighborhood Housing Plan Unit Capacity
Apartment A1	588	526	526	526	877
Business	4	N/A	N/A	210	305
Avery Square Business	72	77	77	187	187
Chestnut St. East	46	370	987	370	412
Chestnut St. West					912
Chestnut St./Garden St.					75
Hillside Ave Business	44	46	46	80	62
Industrial – Crescent	21	N/A	N/A	495	184
Industrial – Hillside					325
TOTAL UNITS	775	1,019	1,636	1,868	3,339



Visualizing Change – Business District – Base Compliance



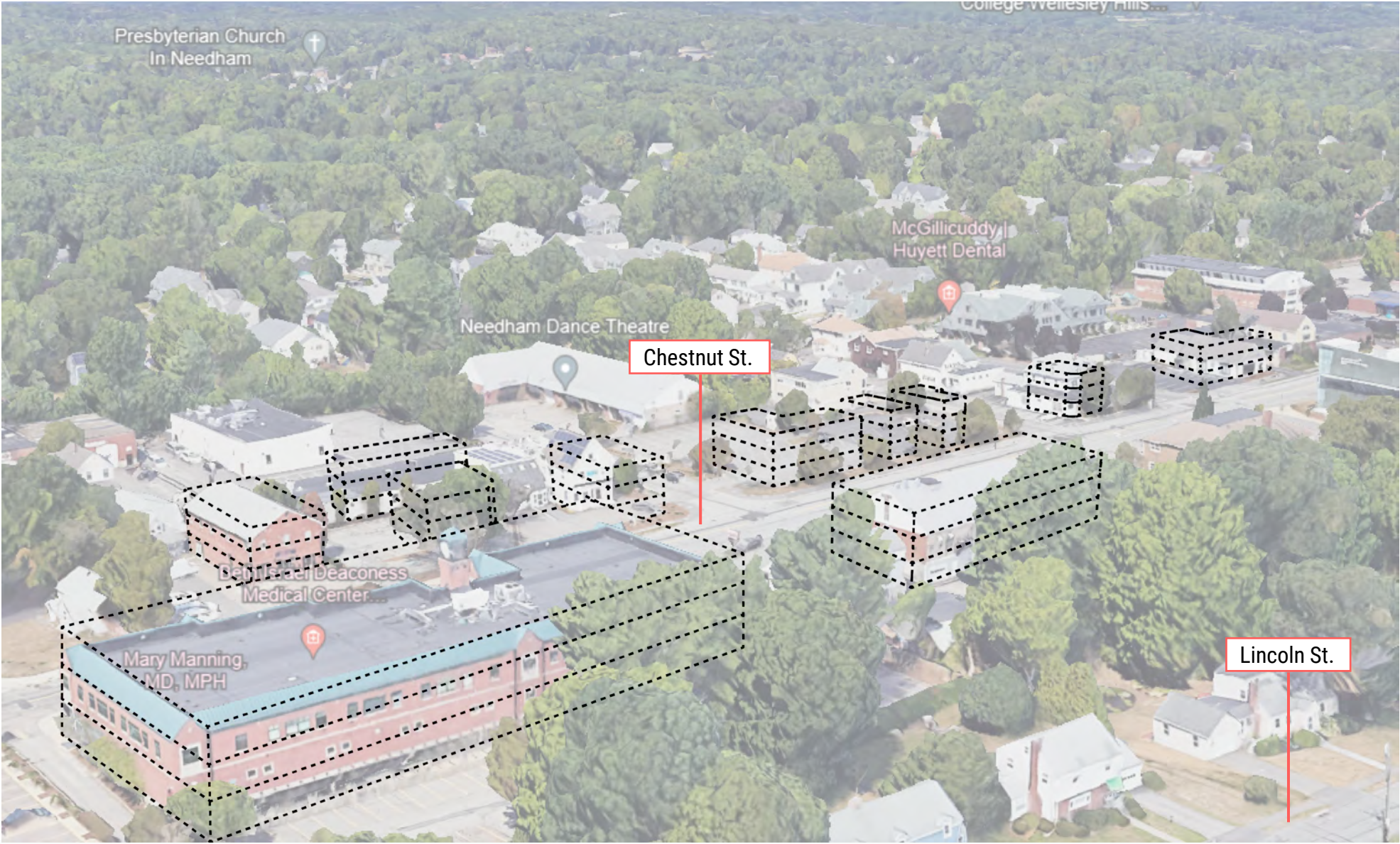
Visualizing Change – Business District – Neighborhood Housing Plan



Visualizing Change – Chestnut West District – Existing Conditions



Visualizing Change – Chestnut West District – Base Compliance



Visualizing Change – Chestnut West District – Neighborhood Housing Plan





Visualizing Change – Hillside Industrial – Base Compliance



Visualizing Change – Hillside Industrial – Neighborhood Housing Plan



Propensity for Change & Fiscal Impact Results

Propensity for Change Modeling

45

The Propensity for Change Analysis uses a financial feasibility model for multifamily development that derives land value utilizing market return metrics, asking rents, and construction costs.

The analytical approach can be simplified into the following steps:

- Identify development scenarios requirements.
- Run a financial feasibility model.
- Derive land values required to meet developer's return requirements.
- Identify parcels that currently have land values below the established threshold.

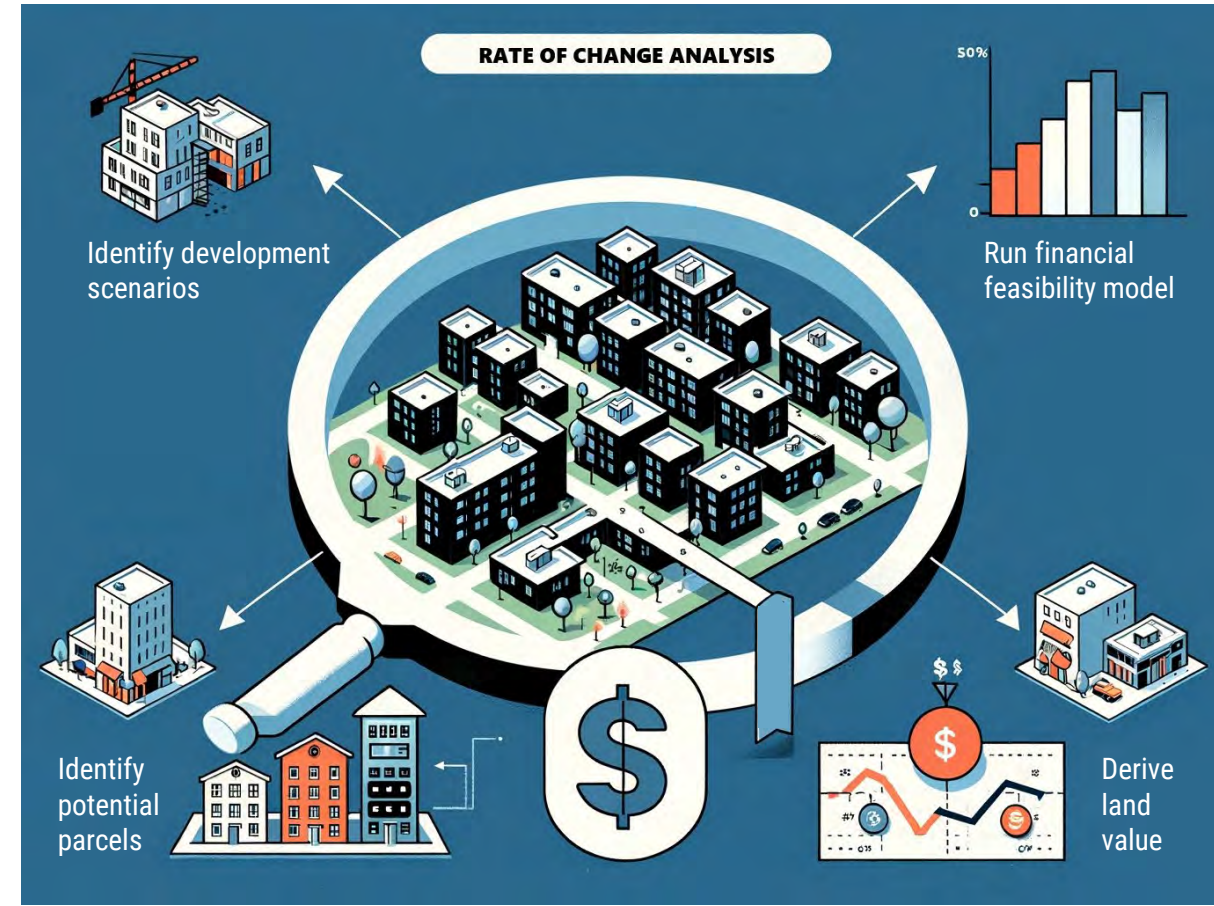
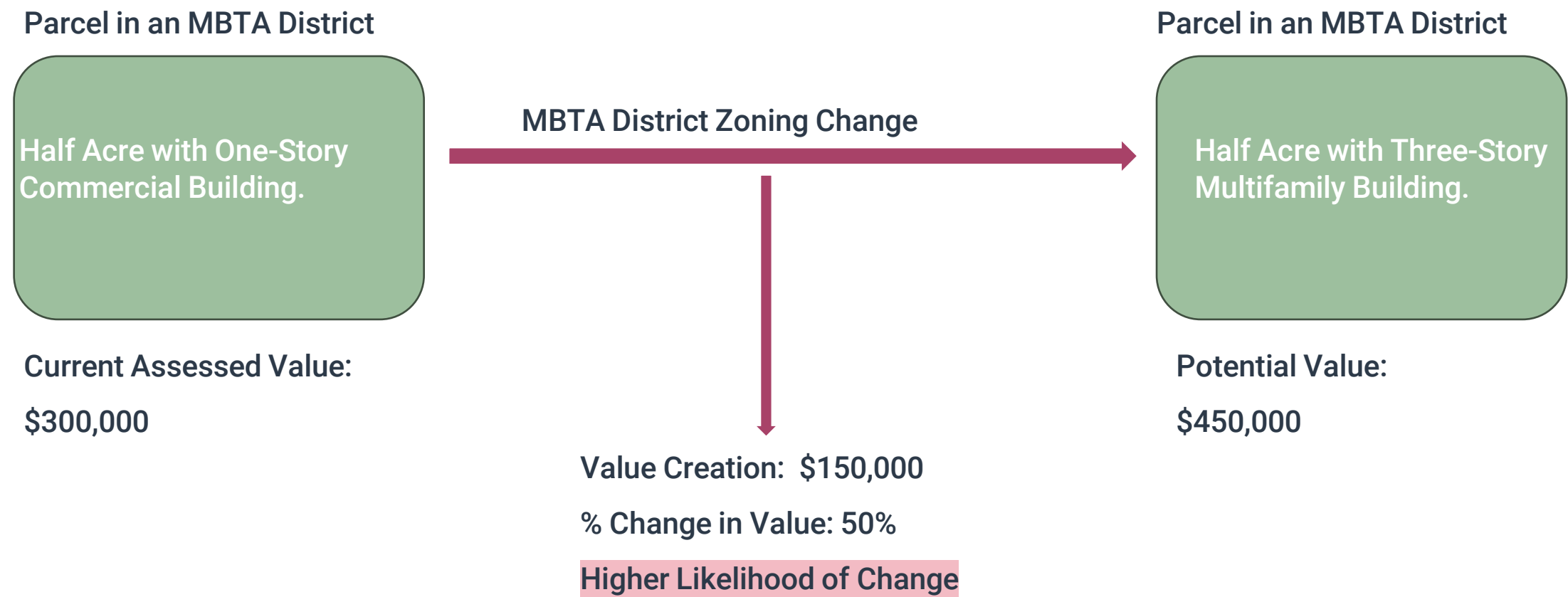


Image Source: RKG Associates, Inc.



Fiscal Impact Analysis –Scenario Results

District Name	Base Compliance Propensity Units from Likely Build Out	Base Compliance Full Build Out	Neighborhood Housing Plan Propensity Units from Likely Build Out	Neighborhood Housing Plan Full Build Out
Apartment 1	0	526	82	877
Business	43	210	111	305
Avery Square Business	0	187	0	187
Chestnut Street East	50	370	137	412
Chestnut Street West	-	-	560	912
Chestnut Street Business	-	-	33	75
Hillside Ave Business	8	80	6	62
Industrial	121	495	-	-
Industrial - Crescent	-	-	79	184
Industrial - Hillside	-	-	91	325
TOTALS	222	1,868	1,099	3,339

Fiscal Impact Results

To test the fiscal impact of HONE's two scenarios, RKG Associates constructed a fiscal impact model to understand the potential tax revenues from new development compared to the municipal and school operational costs to support that development.

MODEL ASSUMPTIONS

- Town tax rates
- Multi-family Valuation
 - Based on costs researched by RKG
- Development program
- Incremental governmental expenditures
 - General government
 - Public safety (police and fire)
 - Public works
 - Schools
- Student generation rates per unit



Fiscal Impact Analysis

To calculate an estimated fiscal impact for each district under each scenario....

Number of Units

X

Per Unit Revenue

=

Property Tax Revenue

Number of Units

X

Per Unit Municipal Costs

=

Municipal Costs

Property Tax Revenue

-

Municipal Costs

=

Fiscal Impact

On a per unit basis, newly built multifamily units will generate more tax revenue than operating costs for the Town.

\$2,934

-

\$1,136

=

\$1,798 per unit

Costs are then further refined by estimating new potential school children and their associated costs.

Number of Units

X

School Age Child (SAC) Ratio

X

Per Child School Costs

=

Education Costs

Fiscal Impact Analysis – Base Scenario Results

51

Base – Propensity Model Likely Build Out

District Name	Base Propensity	
	Units	Net Fiscal Impact
Apartment 1	0	\$0
Business	43	\$50,683
Avery Square Business	0	\$0
Chestnut Street Business	50	\$66,830
Hillside Avenue	8	\$4,840
Industrial	121	\$157,849
TOTALS	222	\$280,202

District Name	Pupils
Apartment 1	0
Business	4
Avery Square Business	0
Chestnut Street Business	4
Hillside Avenue	1
Industrial	10
TOTALS	19

Base – Full Build Model

District Name	Base Full Build	
	Units	Net Fiscal Impact
Apartment 1	526	\$704,026
Business	210	\$278,262
Avery Square Business	187	\$249,461
Chestnut Street Business	370	\$489,694
Hillside Avenue	80	\$99,652
Industrial	495	\$656,770
TOTALS	1,868	\$2,477,865

District Name	Potential Pupils
Apartment 1	42
Business	17
Avery Square Business	15
Chestnut Street Business	30
Hillside Avenue	7
Industrial	40
TOTALS	151

Housing Plan – Propensity Model Likely Build Out

District Name	Housing Plan Propensity	
	Units	Net Fiscal Impact
Apartment 1	82	\$104,266
Business	111	\$146,908
Avery Square Business	0	\$0
Chestnut Street East	137	\$182,630
Chestnut Street West	560	\$746,075
Chestnut Street Business	33	\$36,795
Hillside Ave Business	6	\$1,987
Industrial - Crescent	79	\$97,345
Industrial - Hillside	91	\$112,899
TOTALS	1,099	\$1,428,905

District Name	Pupils
Apartment 1	7
Business	9
Avery Square Business	0
Chestnut Street East	11
Chestnut Street West	45
Chestnut Street Business	3
Hillside Ave Business	1
Industrial - Crescent	7
Industrial - Hillside	8
TOTALS	91

Housing Plan – Full Build Model

District Name	Housing Plan Full Build	
	Units	Net Fiscal Impact
Apartment 1	877	\$1,174,145
Business	305	\$400,389
Avery Square Business	187	\$249,461
Chestnut Street East	412	\$550,197
Chestnut Street West	912	\$1,218,501
Chestnut Street Business	75	\$100,246
Hillside Ave Business	62	\$82,385
Industrial - Crescent	184	\$242,540
Industrial - Hillside	325	\$434,398
TOTALS	3,339	\$4,452,262

District Name	Pupils
Apartment 1	70
Business	25
Avery Square Business	15
Chestnut Street East	33
Chestnut Street West	73
Chestnut Street Business	6
Hillside Ave Business	5
Industrial - Crescent	15
Industrial - Hillside	26
TOTALS	268

Multifamily Housing in Needham

Period	Absorption	Net Deliveries
2023	(8)	-
2022	(4)	2
2021	73	-
2020	89	-
2019	246	-
2018	109	526
2017	(12)	-
2016	2	2
2015	10	10
2014	(7)	-

Source: CoStar, 2024

When larger projects are delivered in Needham, annual absorption has average about 100 units per year. **At that pace, it could take 19 years to absorb the Base Scenario Full Build and 34 years to absorb the Neighborhood Housing Plan Full Build.**

Propensity Model likely build out could be in the 2–10-year timeframe for the base and 10+ years for the Neighborhood Housing Plan.

It is worth noting that **over the past 10 years, Needham has delivered only 53 units per year** on average with most years showing no new deliveries of multifamily housing.

Police, Fire/EMS:

No anticipated capital impacts.

Schools:

The School Department has developed a master plan for updating aging school facilities and creating enrollment capacity, district-wide. The additional students projected under the “Likely” and “Full” build out of both zoning plans can be accommodated within the School Committee’s preferred school master plan scenarios.

Department of Public Works:

- Working on creating master plans for transportation, sewer, water, and drainage over the next 1-3 years.
- Have projects already planned in the proposed districts to address capacity issues in drainage, sewer, and transportation. These project scopes will be updated based on any zoning changes.
- Continue to review all developments that go through the Planning Board’s Site Plan Review process to ensure a project will not overtax the Town’s water, sewer, or stormwater infrastructure.
- Currently facilitating the Stormwater Bylaw Working Group, appointed by the Select Board to make recommendations for revisions to the Town’s bylaws related to stormwater capacity.

A detailed memo will be included in HONE’s final report.

Affordability

HONE's Proposal for Affordability:

- Continue to require that 12.5% of all new units in buildings with 6 or more units are set aside as deed restricted affordable housing.
- RKG's Economic Feasibility Analysis (EFA) supports HONE's recommendation to keep the current affordability requirements in place for MBTA Districts.
- Keeping the affordability set aside at 12.5% helps Needham continue to stay above the state's requirement of 10% affordability townwide.



Question and Comment Period

- Please speak into a microphone for those on Zoom and the Needham Channel.
- State your name and address for the record.
- We will alternate between speakers in the room and online.
- We commit to acting and speaking in a way that is respectful of one another.
- Please limit your comments to 3 minutes and try not to repeat comments so that we can accommodate everyone.
- The HONE team will answer questions that provide technical clarifications.
- All other questions and comments will be heard and taken under consideration, but not responded to tonight.
- Your feedback will inform HONE's future decision-making.

Next Steps

