CITY OF NEWTON, MASSACHUSETTS

Economic Development Commission

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Mayor Fuller and City Councilors
City of Newton
1000 Commonwealth Avenue
Newton, MA 02459

Re: Village Center Overlay District Version 2.0 Zoning Ordinance

August 11, 2023

Dear Mayor Fuller and Honorable City Councilors,

With this letter, the Economic Development Commission (EDC), would like to offer our support and recommendations for Version 2.0 of the Village Center Overlay District (VCOD). We support this process moving expeditiously toward a final proposal that continues to promote economic development, complies with the MBTA Communities Law, and can achieve successful passage by the City Council within the timeline required by the State's new law. We further recommend that the final proposal takes into consideration the input provided herein with regard to village center parking. This letter, approved by the EDC on August 8, 2023 by a vote of 12-0, serves to fulfill our responsibility to "advise and make recommendations to appropriate officials, agencies, boards, department, and commissions of the City" per City Ordinance Article V, Section 22.95.

BACKGROUND

The EDC was established under General Laws Chapter 40, Section 8A to promote and develop business and industry within the City of Newton. The Commission is charged with strengthening the local economy, supporting new job opportunities for residents, and expanding the City's tax base. The proposed VCOD zoning ordinance aligns with our mandate and the ultimate purpose of economic development to maintain a high quality of life; encourage vibrant neighborhoods; and strengthen the city's financial sustainability.

The EDC already submitted a letter in October 2022 giving our support to the overall zoning overlay framework. We stand by the major points we made at that time of its benefit with regard to economic opportunity, housing choices, environmental sustainability, and leveling the playing field for smaller scale development projects in our village center commercial districts.

In this letter, the EDC weighs-in on three elements that feature in version 2.0 of the proposed ordinance: (1) Mixed-Use Priority Streets; (2) zero vehicular parking minimums; and (3) compliance with the MBTA Communities Law.

KEY AREAS OF SUPPORT

1. Mixed-Use Priority Streets

The driving force behind EDC support for village center rezoning is the potential for increased economic activity, additional commercial development, and preservation of the City's commercial tax base. As originally envisioned in the rezoning framework, fully mixed-used village centers would encourage these priorities by allowing for a greater amount of much-needed commercial real estate throughout the City. Less than 9% of the total property value in Newton is generated by commercial and industrial properties. By contrast, 90.1% of the total property value in the City comes from residential properties. Newton is overwhelmingly residential, and preserving even a relatively small amount of commercial (and industrial) space benefits the City's long-run financial sustainability by helping to retain diversity in the tax base.[1]

EDC recognizes the creation of designated Mixed-Use Priority Streets in VCOD 2.0 as a way to balance the increased residential development required by State's MBTA Communities Law with City priorities to preserve commercial enterprise. EDC is supportive. Mixed-Use Priority Streets will allow for offices, stores, customers, workers, residents, jobs, and transit to concentrate and connect in ways to boost economic vibrancy, neighborhood quality of life, and the City's commercial tax base. EDC recommends increasing the number of Mixed Use Priority Streets.

Mixed-use is a proven formula for healthy, resilient, neighborhood-level economic ecosystems. For example, pandemic recovery in Boston has been strongest in the Back Bay and Seaport – areas where enough housing exists in close proximity to commercial spaces to allow for a mix of creative and diverse businesses that are able to flourish with a built-in base of customers.[2] Closer to home, mixed-use is working in Allston and Newtonville, where new businesses are opening, restaurants are succeeding, and public space is alive with a steady flow of foot traffic. The proposed zoning overlay would enable other village centers to also become their best and most successful micro-local economies at the scale most appropriate to them.

2. Zero Vehicular Parking Minimums

EDC supports updating minimum parking requirements in Newton's zoning. The city's current mandated parking minimums do not guarantee getting the parking equation "right." For example, parking at the TRIO and Austin Street apartments are over-supplied and spots stay empty. Furthermore, restaurants are routinely granted special permit waivers from the existing parking minimums, suggesting that these requirements have long been outdated.

EDC believes parking minimums can be zeroed out as proposed in VCOD 2.0 where it is most appropriate for village density and makes the most sense for economic development - namely, in the VC3 and VC2 districts. No business in Newton should be constrained from starting or growing here - e.g. adding employees or increasing seats at a restaurant - by a need to meet arbitrary parking minimums. This will especially benefit local independently-owned small businesses. However, EDC believes zeroing out parking minimums in these village center districts needs to go hand-in-hand with development of sensible parking management plans for curbside parking; providing for ADA accessibility; and pressuring the MBTA to improve access, service, and frequency in Newton.

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[1] City of Newton, Fiscal Year 2023, Classification Hearing, Property Values by Class

[2] Nanos, Janelle and Catherince Carlock. "Why 'how downtown Boston is recovering' depends on which downtown you're talking about," *The Boston Globe*, January 21, 2023.
https://www.bostonglobe.com/2023/01/21/business/why-how-downtown-boston-is-recovering-depends-which-downtown-youre-talking-about/

With regard to parking for the VC1 and MRT districts, EDC recommends a review of the zero parking requirements in these districts as proposed by VCOD 2.0. Among the considerations to take into account: the specific streets involved, proximity to alternative modes of transportation, ADA accessibility, traffic, and the usage of NewMo and other ridesharing.

In the context of the MBTA Communities Law, EDC recognizes that the lowest possible parking minimums in VCOD 2.0 allows Newton to meet requirements for additional housing in a space-saving way, across just 3% of the city's land area. It also concentrates new housing in and around village centers where it can make the biggest economic development impact. Housing is the source of customers, workers, entrepreneurs, families, and pedestrian traffic that allow our businesses and villages to thrive. Additionally, updated parking minimums can encourage more uptake of alternative modes of transportation and more sustainable building practices (e.g., fewer parking spots results in less asphalt).

3. Compliance with the MBTA Communities Law

EDC supports how VCOD 2.0 complies with the State's MBTA Communities Law. The village center rezoning effort provides Newton a path to a compliant zoning plan that is detailed and well-researched; involves significant community outreach; incorporates stakeholder feedback; and aligns with long-standing City goals. Also, importantly, a final version of VCOD can be approved and submitted by the State's deadline at the end of the year.

No alternative to VCOD can respond to the MBTA Communities Law as robustly by the state deadline. Moreover, failure to comply with the state's law is simply not in Newton's best interests given the Commonwealth's warnings. Namely, non-compliance risks funding from Massworks and Housing Choice, two state grant programs that Newton draws on heavily - over $2.3 million in FY2023 alone.[3] It also risks civil enforcement action under fair housing laws.[4] EDC recognizes compliance with the MBTA Communities Law as the safest and most sensible course of action for Newton.

EDC Recommendations

EDC supports VCOD Version 2.0, with the caveat that we urge additional consideration with regard to parking in VC1 and MRT districts. We recommend that this process stays on track for completion and passage by the end of the calendar year for compliance with the MBTA Communities Law.

Sincerely and on behalf of the EDC,

Sarah Rahman, Chair

Newton Economic Development Commission

[3] Massworks has provided funding toward improving the intersection of Oak and Chestnut Streets and enhancing the Greenway in Newton Highlands. Housing Choice has supported affordable housing opportunities at the Walker Center in Auburndale and the West Newton Armory.

[4] "AG Campbell Issues Advisory on Requirements of MBTA Communities Zoning Law" available at https://www.mass.gov/news/ag-campbell-issues-advisory-on-requirements-of-mbta-communities-zoning-law