

Delivering on SomerVision: GLX, Infrastructure & Zoning

Mayor Joseph A. Curtatone

October 13, 2016

Our SomerVision commitments



The numbers



30,000 New Jobs as part of a responsible plan to create opportunity for all Somerville workers and entrepreneurs



125 New Acres of Publicly-Accessible Open Space as part of our realistic plan to provide high-quality and well-programmed community spaces



6,000 New Housing Units - 1,200 Permanently Affordable as part of a sensitive plan to attract and retain Somerville's best asset: its people.

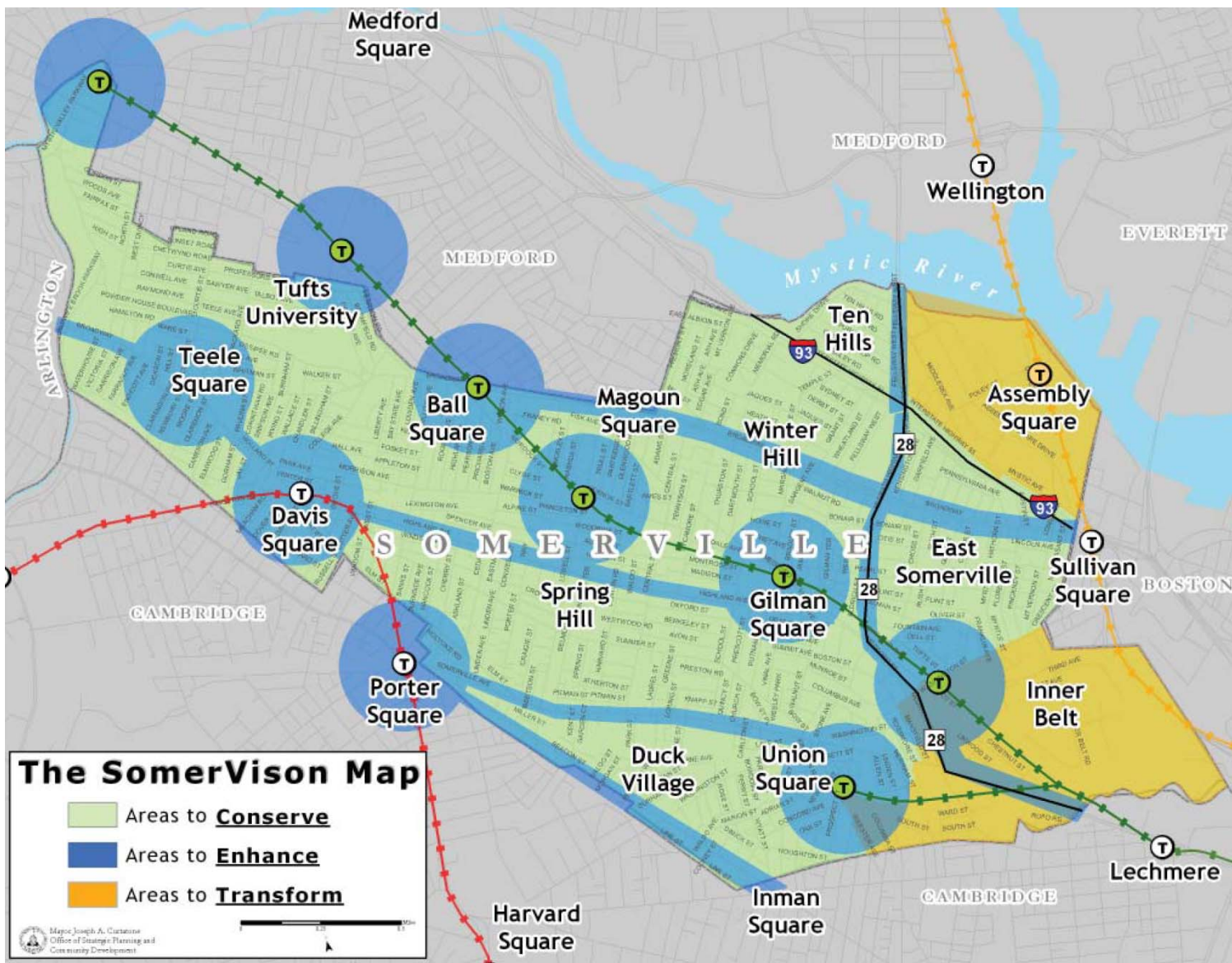


50% of New Trips via Transit, Bike, or Walking as part of an equitable plan for access and circulation to and through the City.



85% of New Development in Transformative Areas as part of a predictable land use plan that protects neighborhood character

The map



The values

Fiscal
sustainability

Social equity

Public health
and safety

Environmental
sustainability

Delivering on SomerVision requires private investment

Without private investment:



No commercial development → no new jobs



City alone responsible for acquiring land for and developing 125 acres of open space → a \$500 million liability



No new inclusionary housing units → City alone responsible for \$400+ million liability for affordable housing

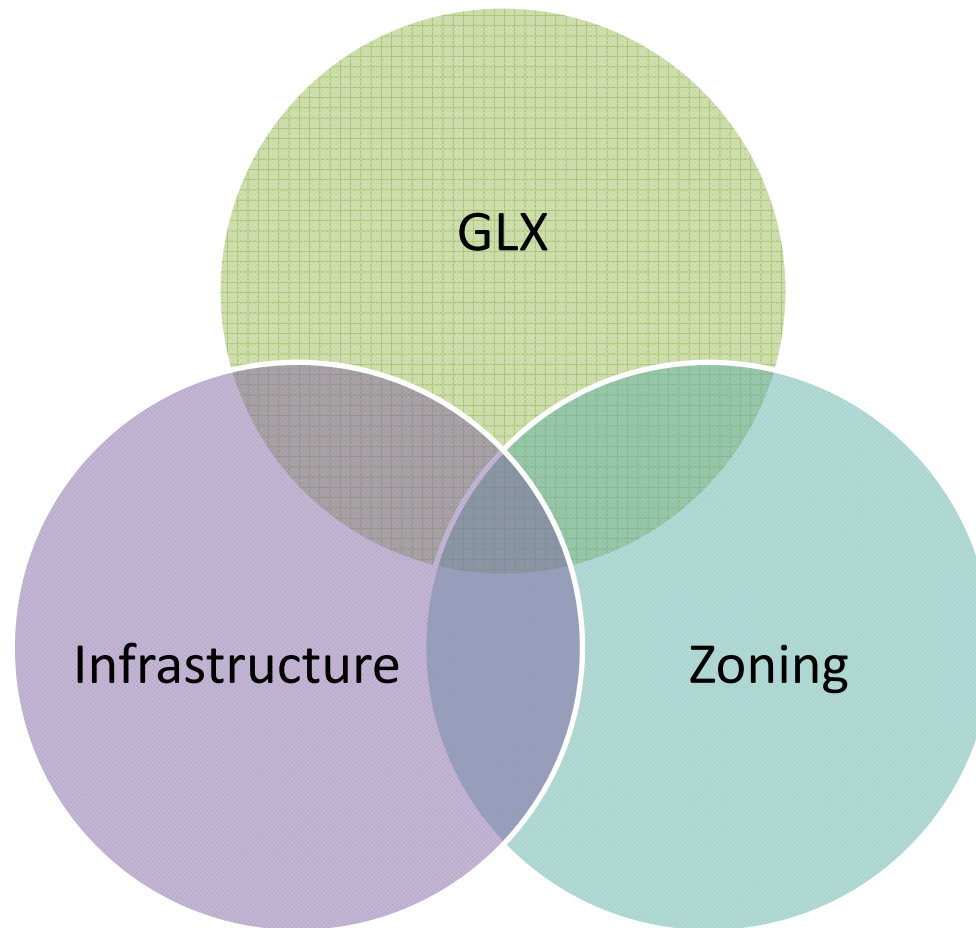


City alone must pay for all transportation, infrastructure, and mobility improvements

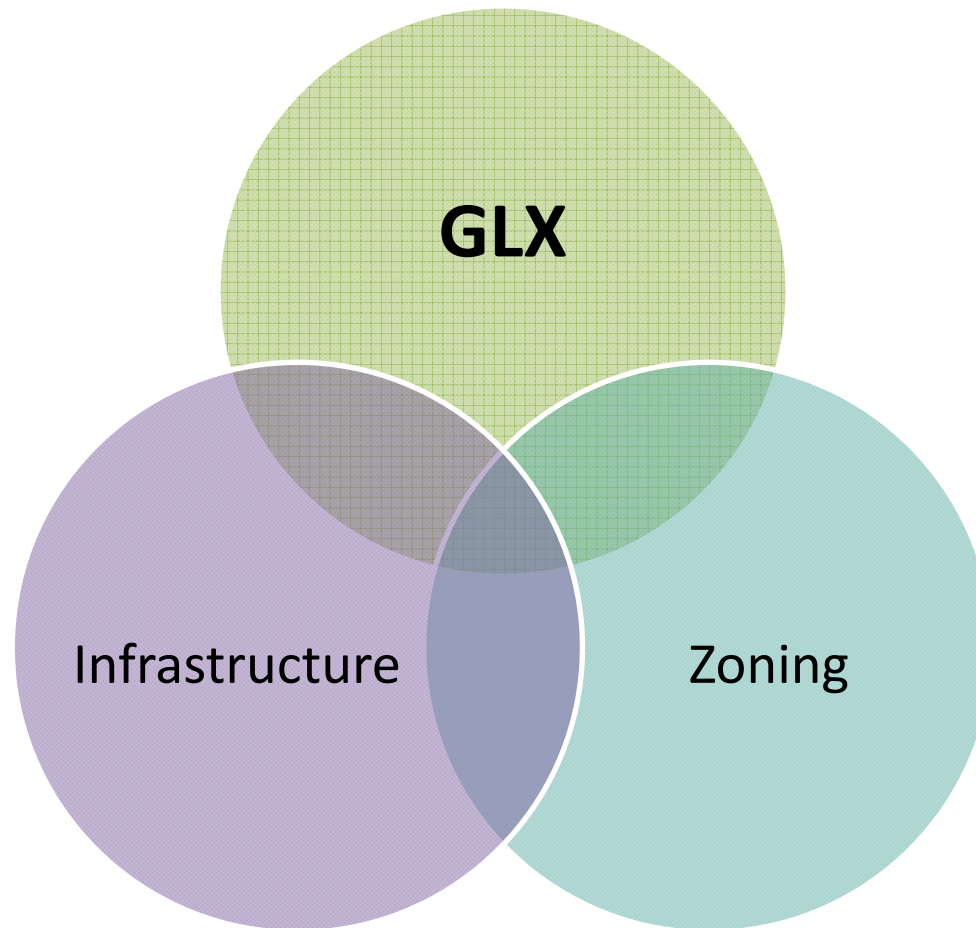


No development in transformative areas

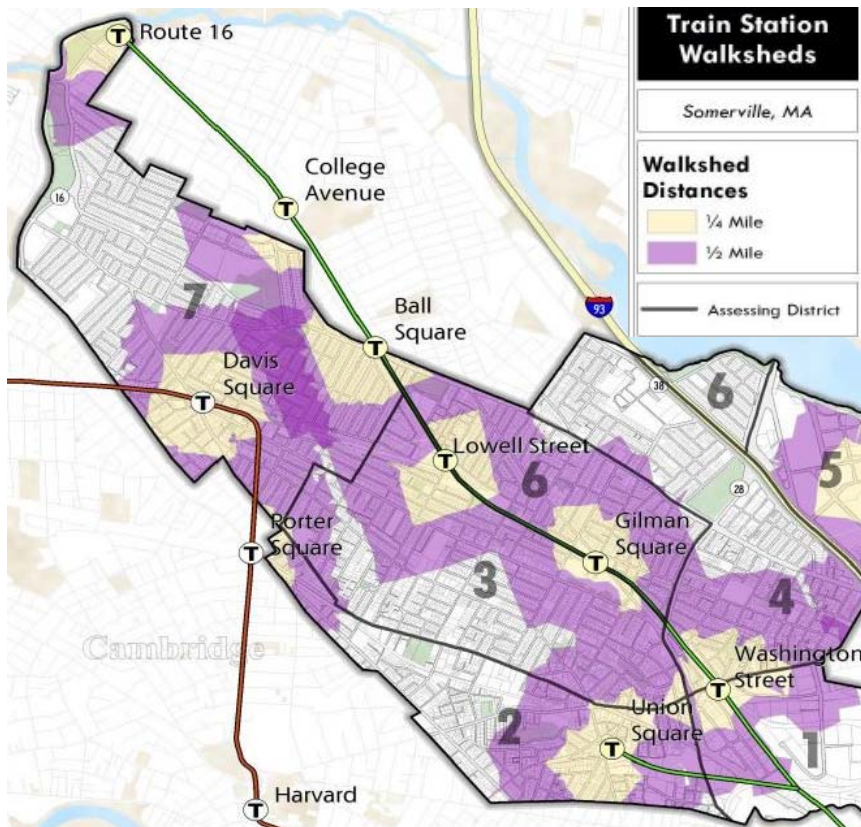
Delivering on SomerVision: 3 key commitments



Delivering on SomerVision: 3 key commitments



GLX



Increases share of residents within 10-minute walk of a rapid transit station from 15% to 85%



Adds 45,000 daily rapid transit trips

- 26,000 cars off the road every day



Attracts private investment in areas to transform and enhance



– Commercial → jobs, linkage



– Residential → inclusionary housing

GLX

Fiscal sustainability

- Grows tax base: additional \$745 to \$772 million in property tax revenue over 30 years
- Shifts tax burden to commercial sector

Social equity

- Creates jobs & improves access to employment opportunities
- Creates affordable housing
- Reduces residential share of tax burden

Public health and safety

- Reduces air pollutants caused by vehicle emissions
- Mitigates flood hazard

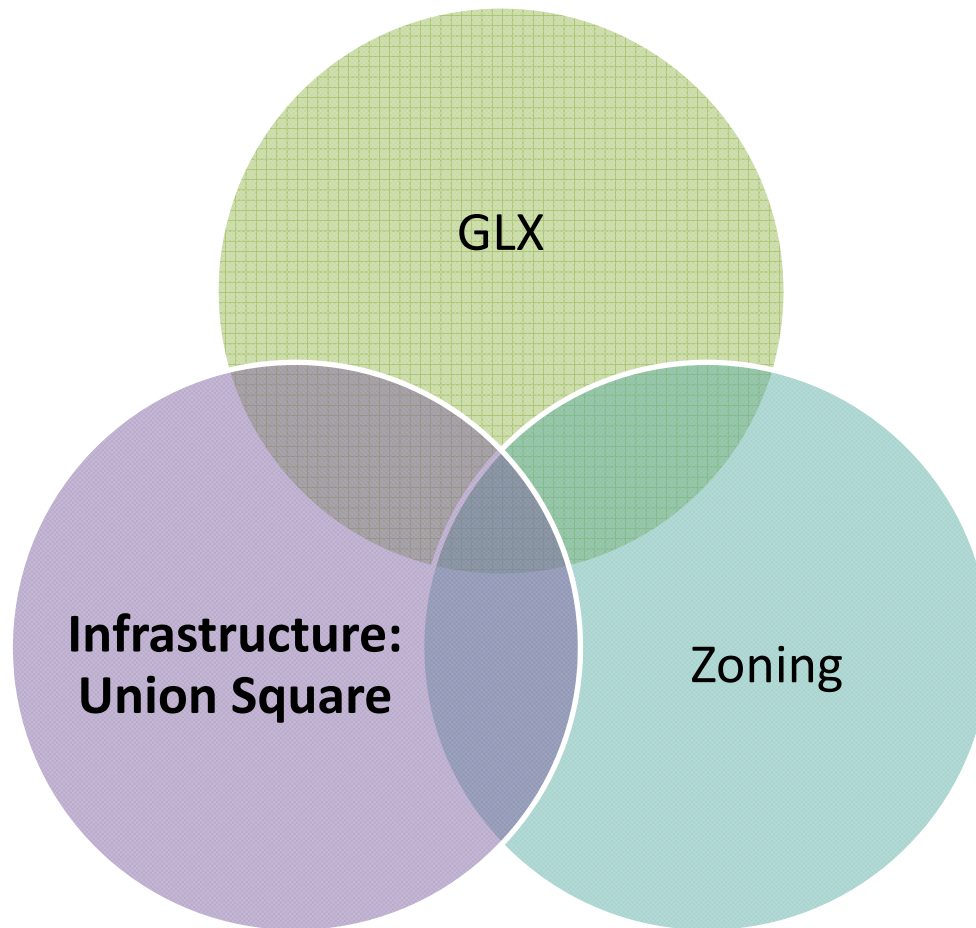
Environmental sustainability

- Reduces GHG emissions
- Reduces climate change vulnerability

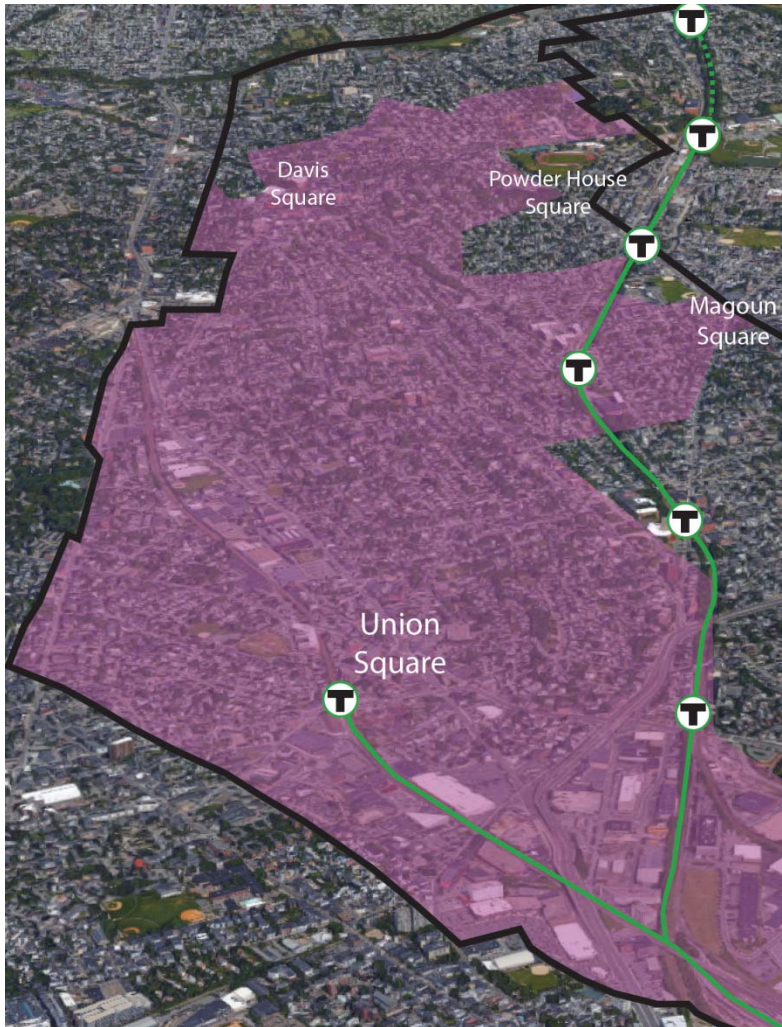
GLX timeline

Date	Action
September 2016	MassDOT Board/FMCB approves initiation of procurement process; Cambridge City Council votes to approve local financing
October 2016	Phase 1 of MassDOT procurement process (LOI) begins; MassDOT hiring project team
November 2016	Administration submits bond authorization request (with full presentation); BOA deliberation and vote
December 2016	MassDOT initiates phase 2 of procurement process (RFQ)
Q4 2017	MassDOT initiates phase 3 of procurement process (RFP)
Q4 2018	MassDOT selects construction team, issues Notice to Proceed (NTP)
Q1 2019	Construction begins
2022	All stations complete

Delivering on SomerVision: 3 key commitments



USQ utility infrastructure



- Improves sewer service for ~19,000 households
- Stops sending 2 million gallons of groundwater and stormwater daily to Deer Island (long term)
- Fulfills obligations to MWRA & DEP



Attracts private investment in USQ



– Commercial → jobs, linkage



– Residential → inclusionary housing

USQ streetscape infrastructure



Implements USQ
Neighborhood Plan



Creates a vibrant public
realm



Creates complete streets
for all users



Expands tree canopy

USQ infrastructure

Fiscal sustainability

- Grows tax base & shifts tax burden to commercial sector
- Reduces spending on infrastructure failures

Social equity

- Creates jobs
- Creates affordable housing
- Reduces residential share of tax burden

Public health and safety

- Reduces flooding and sewer backups
- Makes streets safer: more walkable, bikeable & vibrant → fewer crashes, less crime

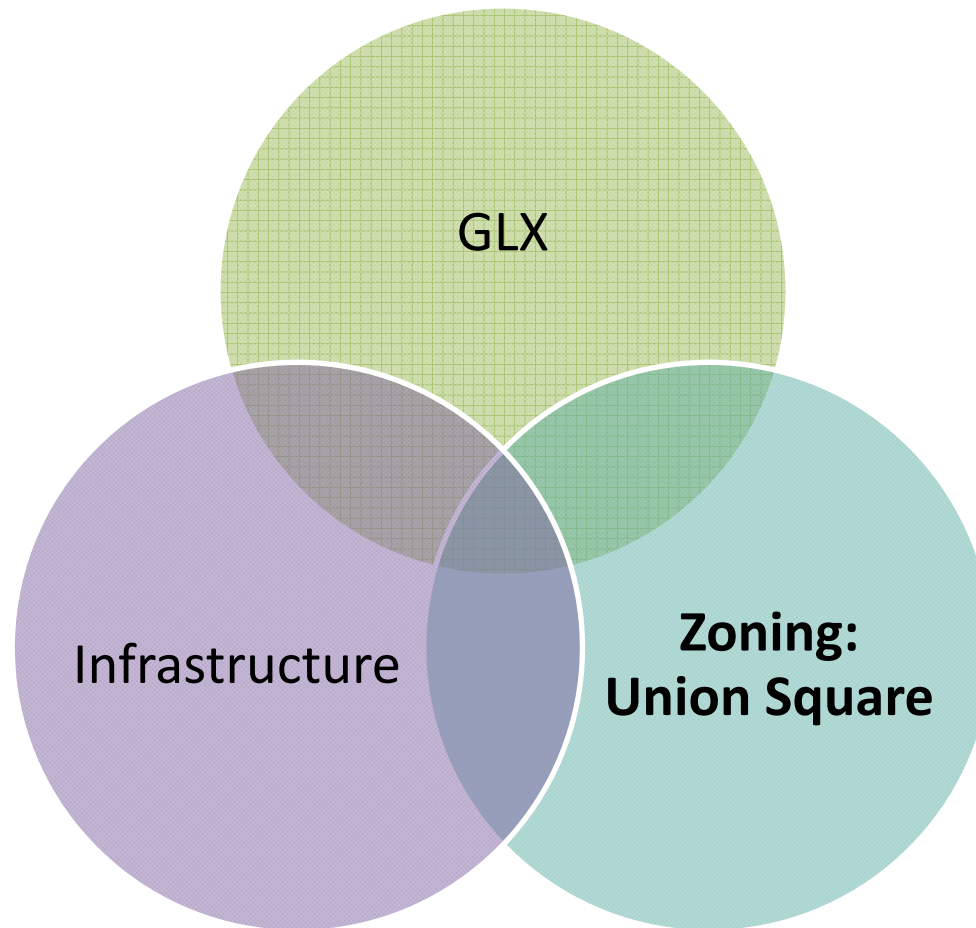
Environmental sustainability

- Reduces GHG emissions
- Improves quality of our waterways
- Reduces energy wasted unnecessarily processing groundwater and stormwater

USQ infrastructure timeline

Date	Action
Summer 2015 - Fall 2016	Utility engineering
December 2016	Utility bid set complete
February 2017	Administration submits utility bond authorization request (with full presentation); BOA deliberation
February/March 2017	Utility bid
April/May 2017	Utility construction start
Spring - Fall 2017	Streetscape engineering & community process
December 2017	Streetscape bid set complete
January 2018	Administration submits streetscape bond authorization request (with full presentation); BOA deliberation
February 2018	Streetscape bid
April 2018	Streetscape construction start
Q4 2019	Utility construction complete
Q4 2021	Streetscape construction complete

Delivering on SomerVision: 3 key commitments



USQ zoning



Implements USQ
Neighborhood Plan



Attracts private development

– 60% commercial → jobs,
linkage



– 40% residential → inclusionary



Creates 12+ new acres of
highest-quality public open
space



Reduces traffic and parking
demand, shifting from cars to
walking, biking, and transit

USQ zoning

Fiscal sustainability

- Generates cumulative net surplus of \$154M over 30 years → \$5.1M / year
- Shifts tax burden: USQ tax base will be 78% commercial with full implementation of plan

Social equity

- Creates jobs (7,782)
- Creates affordable housing (264 on site + linkage)
- Creates fab/maker/artist space
- Reduces residential share of tax burden

Public health and safety

- Makes streets safer: more walkable, bikeable & vibrant → fewer crashes, less crime
- Remediate brownfields

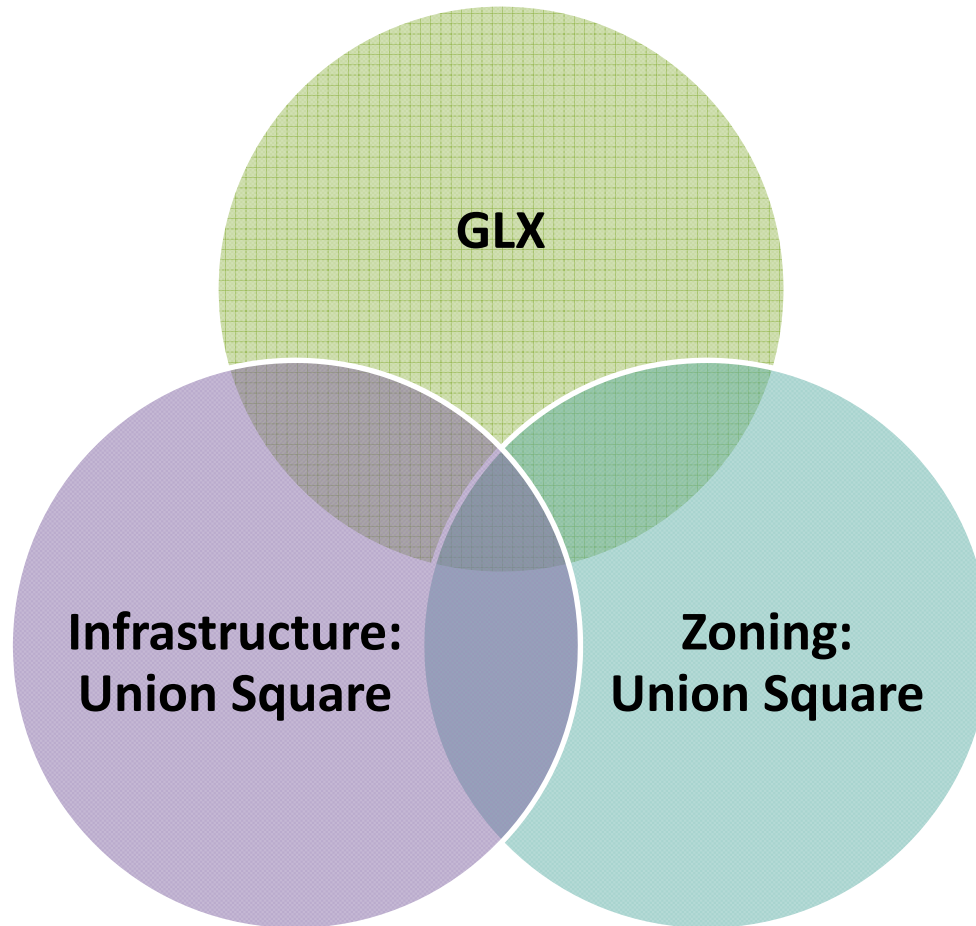
Environmental sustainability

- Creates 12+ acres of open space
- Reduces GHG emissions
- Creates 25,000+ SF of LEED silver & 50,000+ SF of LEED gold development

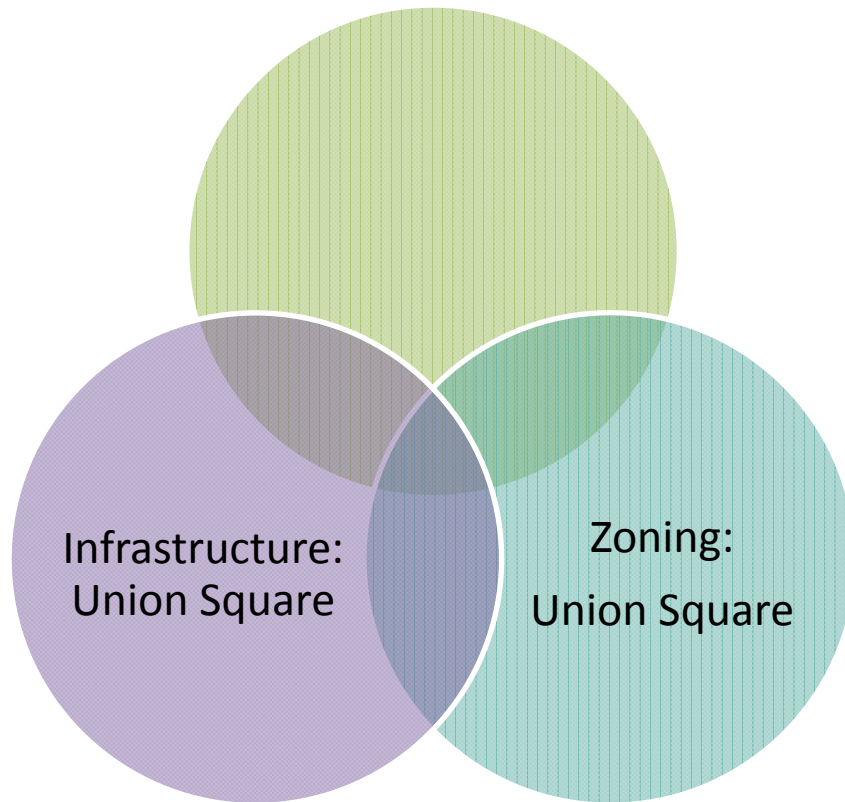
USQ zoning timeline

Date	Action
November 2014 – April 2016	USQ Neighborhood Plan meetings and development
May 2016	USQ Neighborhood Plan adopted
July 2016	Administration submits USQ zoning to BOA
October – November 2016	Land Use Committee/Planning Board presentation, public hearing, and deliberation
December 2016	BOA deliberation
Winter/Spring 2017	Planning Board hearings on Coordinated Development Plan

Delivering on SomerVision requires all 3



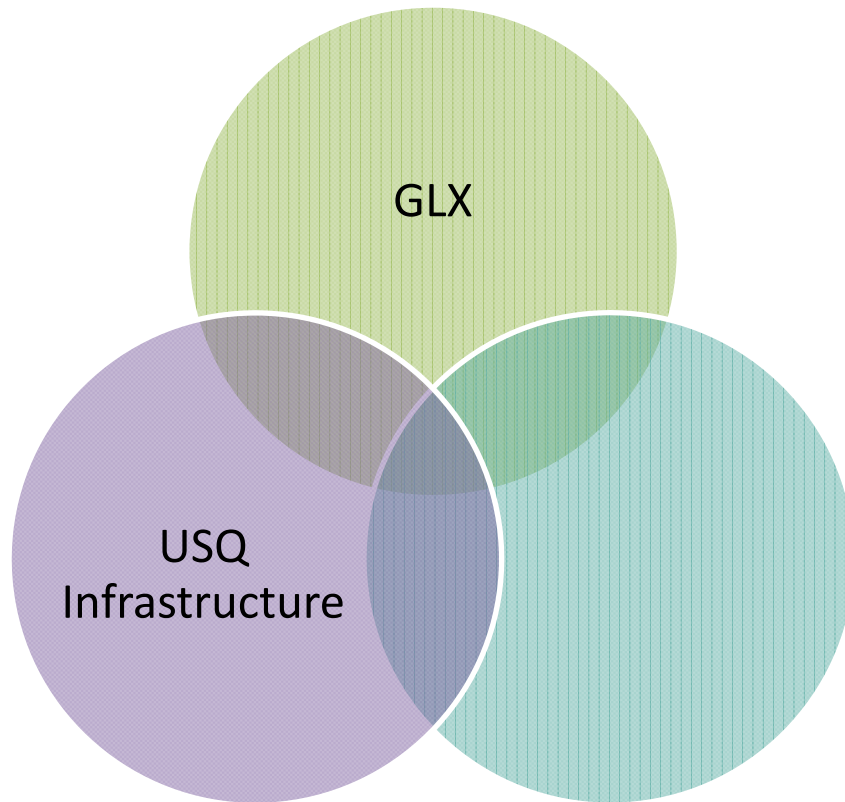
Without GLX



Little incentive for commercial development

→ Vastly reduces potential growth in jobs & linkage funding; limits ability to shift away from reliance on residential tax base

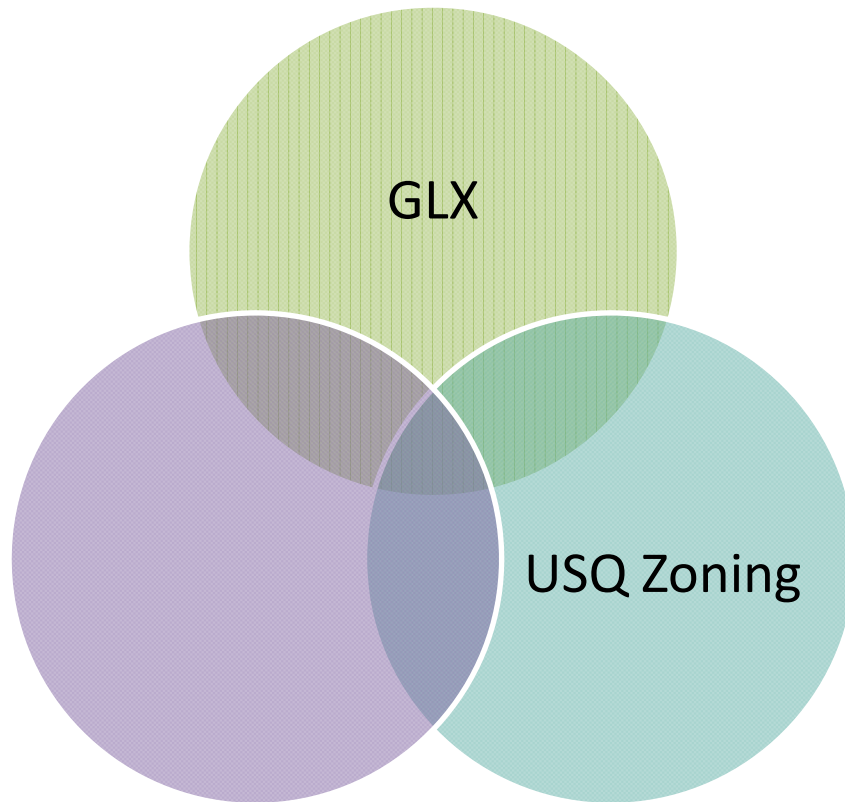
Without USQ zoning



Cannot implement USQ Neighborhood Plan, which reduces incentive to develop & leaves no guarantee on commercial/residential split

→ Vastly reduces potential growth in jobs & linkage funding; limits ability to shift away from reliance on residential tax base

Without USQ infrastructure



This simply isn't an option. MassDEP and MWRA expect the City to solve our capacity issues regardless of USQ development, so we have to fix this problem.

With the GLX & USQ zoning, however, we will bear a smaller portion of the financial burden.

Consequences of inaction

Fiscal sustainability

- Continued heavy reliance on residential tax base
- Significantly smaller growth in tax base resulting in far less funding for other community needs and priorities

Social equity

- City becomes more expensive and less diverse
- Minimal job growth
- Less inclusionary housing and far less linkage funding
- No increase in access to rapid transit

Public health and safety

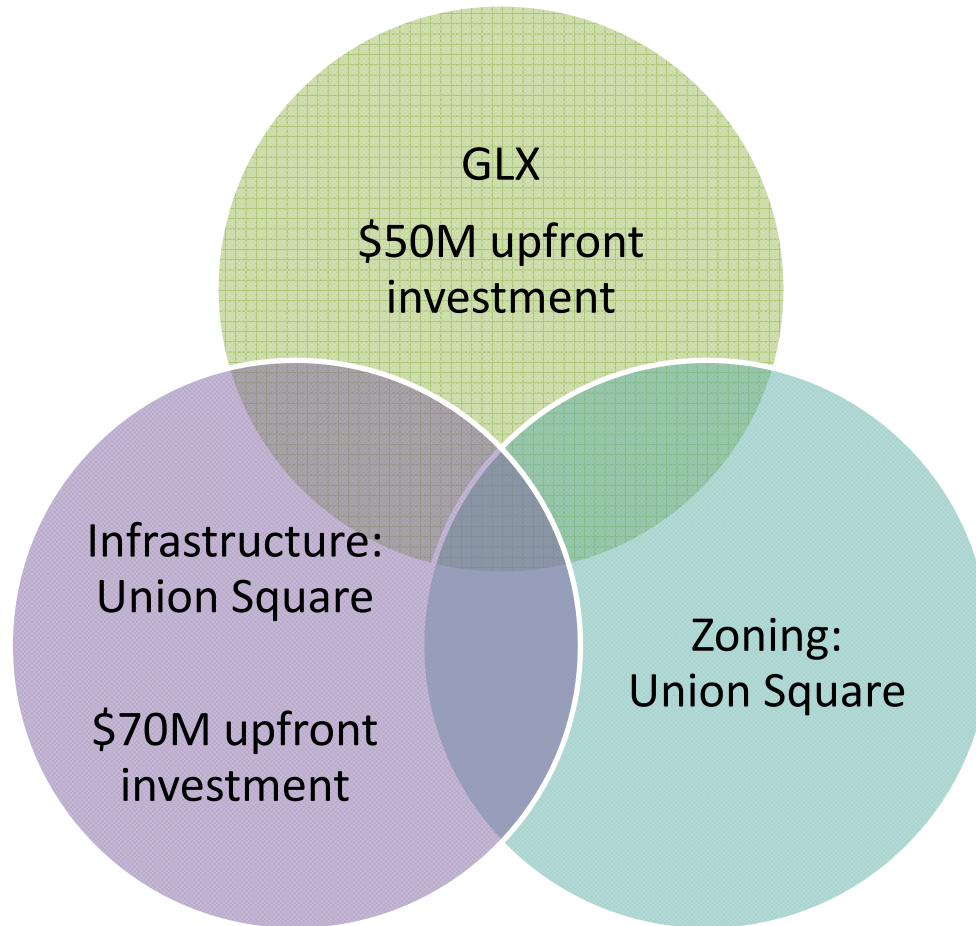
- Flooding and sewer backups continue
- No reduction in air pollutants
- No further brownfield remediation in USQ
- Reduced ability to improve safety of streets in USQ

Environmental footprint

- No reduction in auto trips or GHG emissions
- Burden of creating new open space falls solely on the City
- No improvement in quality of our waterways

Bottom line: we cannot deliver on SomerVision

The money



Financing tools

GLX

- GO bonds
 - Seeking favorable borrowing terms from the state
- Developer contributions

USQ Infrastructure

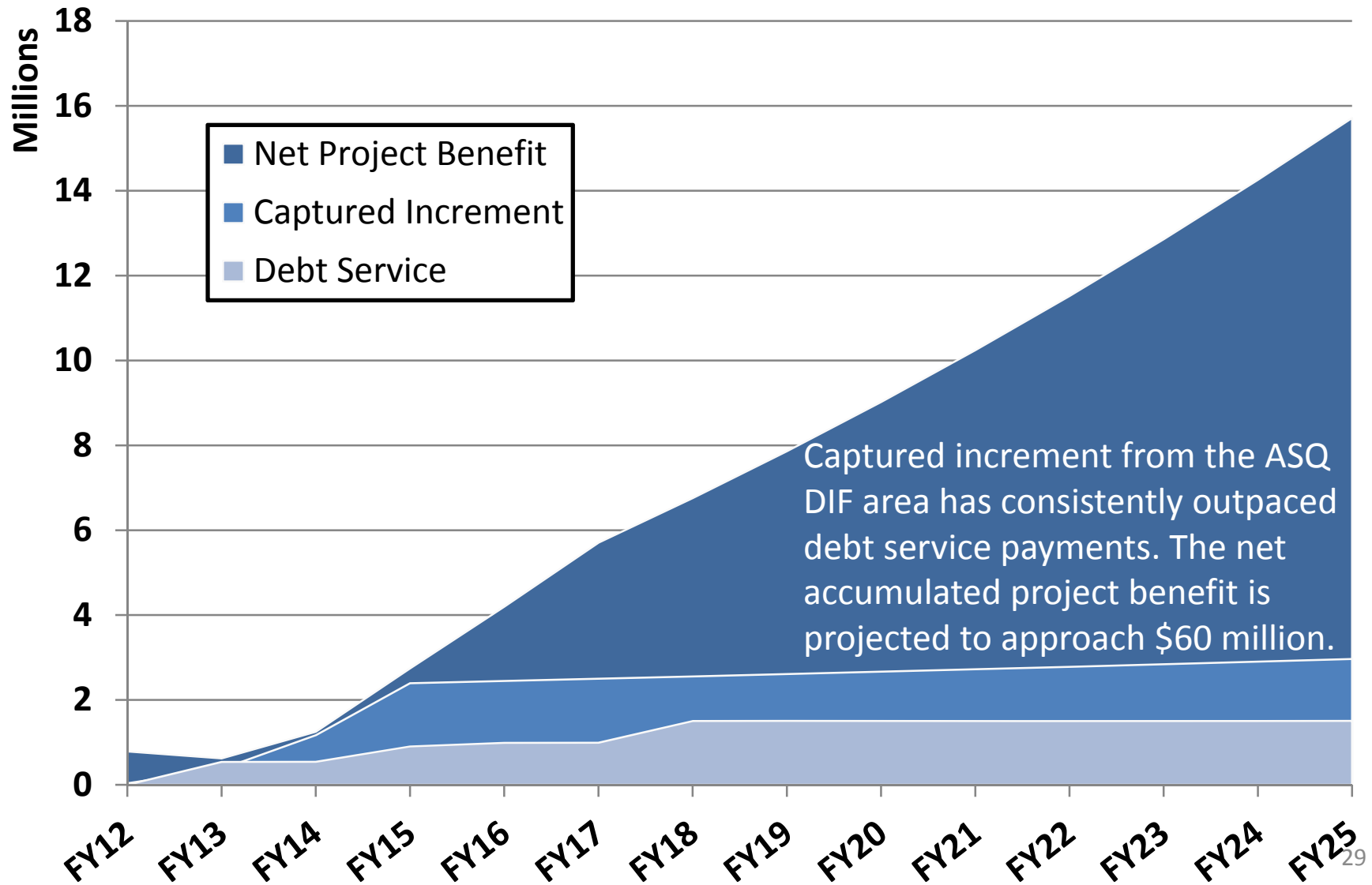
- MassWorks grant
 - \$3.34M received in 2015
 - Applied for \$13M more; award notice in November
- Water & Sewer Enterprise and Stabilization Funds for utility
 - Favorable borrowing terms through DIF
- GO bonds for streetscape
 - Favorable borrowing terms & captured tax increment to retire bond through DIF
- Developer contributions

DIF

(District Improvement Financing)

- Key benefit: favorable borrowing terms
 - Short-term borrowing for up to 5 years, compared to 2 without DIF
 - Align debt service payments with revenue increases
- Additional benefit: use captured tax increment generated by infrastructure investment to retire bonds

The ASQ DIF



USQ DIF

- Request for funding to secure consulting services to:
 - Advise us on best strategy for USQ DIF
 - Establish baseline property values

Date	Action
October 2016	Administration submits request for DIF consultant; BOA deliberation
November 2016 – January 2017	DIF application; approval by Mass Office of Business Development (MOBD)
January 2017	Administration submits request for BOA approval of DIF; public hearing
February 2017	BOA deliberation

Developer contributions

- Existing required contributions
 - + 20% inclusionary housing
 - + Housing linkage
 - + Jobs linkage (forthcoming)
 - + Inflow & infiltration fee
 - + Zoning
 - + Open space
 - + Arts & creative economy space
 - + Sustainable building
 - + Traffic management demand

Additional developer contributions

- + GLX
- + USQ infrastructure
- + Community benefits
- Framework for determining contribution amount
 - TischlerBise advising
 - Inclusive, predictable process based on community values

Also on the horizon

Underway	Forthcoming	In queue
Water & Sewer capital requests	USQ streetscape	Boynton Yards infrastructure
Somerville High School	Comprehensive zoning overhaul	Davis infrastructure
West Branch Library	Mobility plan	Winter Hill & Gilman revitalization
Winter Hill schoolyard & field		Central Broadway infrastructure
Nunziato stormwater storage and field reconstruction		Ball Square infrastructure
Building Assessment, Preventive Maintenance, and Master Plan II		School, city & public safety building rehabilitations
Recurring capital requests		Field improvements

Next steps

- GLX
 - Administration submits RKG GLX report to BOA (10/27/16)
 - Administration presents on GLX & submits bond authorization and home rule petition to BOA (11/10/16)
 - BOA votes on GLX bond authorization and home rule petition (MassDOT requiring this vote by Thanksgiving)
- Zoning
 - Administration presents on USQ zoning; public hearing (10/18/16)
 - BOA deliberation on USQ zoning
 - Administration releases public review draft of zoning overhaul (December 2016)
 - Administration submits zoning overhaul to BOA (January 2017)

Next steps, cont'd

- DIF
 - Administration submits request for DIF consultant (10/27/16)
 - Administration submits DIF materials to BOA, presents on DIF, and holds public hearing (January 2017)
 - BOA deliberation on USQ DIF
- Infrastructure
 - Administration presents on USQ utility work & submits bond authorization request (February 2017)
 - BOA deliberation on USQ utility bond authorization request
- SHS
 - MSBA Board votes on SHS (2/15/17)
 - Administration submits bond authorization request (2/23/17)
 - BOA deliberation on SHS bond authorization request
- Capital Investment Plan
 - Administration submits plan (winter/spring 2017)

Projected timeline

	2016			2017						2018				2019			
	Oct	Nov	Dec	Jan	Feb	Mar	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GLX	RKG study submission	Bond authorization and home rule petition request & BOA deliberation	MassDOT procurement process											Construction (through 2022)			
USQ utility			Bid set complete		Bond authorization request & BOA deliberation	Bid	Construction (through 2019)										
USQ streetscape							Community process, engineering & bid set development		Bond authorization request & BOA deliberation; bid	Construction (through 2021)							
DIF	Consultant request & BOA deliberation	Analysis & application; MOBD review		DIF request; public hearing	BOA deliberation												
USQ zoning	Public hearing	BOA deliberation															
Zoning overhaul		Public review draft	BOA submission	BOA deliberation													
SHS		Ballot vote			MSBA Board vote; bond authorization request & BOA deliberation								Construction (through 2022)				
CIP	Analysis			BOA submission & discussion													