



CITY OF SOMERVILLE, MASSACHUSETTS
MAYOR'S OFFICE OF STRATEGIC PLANNING & COMMUNITY DEVELOPMENT
JOSEPH A. CURTATONE
MAYOR

MICHAEL F. GLAVIN
EXECUTIVE DIRECTOR

To: Board of Aldermen, City of Somerville

CC: Joseph A. Curtatone, Mayor

From: Michael F. Glavin, Executive Director, OSPCD
Edward C. O'Donnell, Director, Economic Development Division
George Proakis, Director, Director of Planning and Zoning

Date: March 4, 2015

RE: Agenda Item 198160. Requesting an appropriation of \$500,000 and authorization to borrow that amount in a bond for a comprehensive planning effort for Assembly Square.

PLANNING BUDGET

Responsibilities and Budget:

Overall project management	
Event scheduling, coordination and presentation	
Project marketing and implementation	
Ongoing project support	\$125,000

Design:

Base plan for charrettes	
Graphics and design for plan documents	
Architectural guideline diagrams	
Placemaking tools and designs	
Various plans and documents for working and final plans	\$255,000

Economic Development Impacts:

Current market conditions for office, R&D, life sciences, etc.	
Residential market conditions-unit mix, affordability, etc.	
Site valuation and possible relocation costs	\$35,000

Transportation Study:	\$35,000
------------------------------	----------

Sustainability Study:	\$20,000
------------------------------	----------

Translation Services:	\$10,000
------------------------------	----------

Materials Production:	\$15,000
Contingency:	\$5,000
Total	\$500,000

SCOPE OF PLANNING SERVICES

This comprehensive plan for the balance of the Assembly Row would proceed under the terms of the recently introduced Revisions to the Somerville Zoning Code. Such a planning effort represents the first step in trying to advance this under-developed portion of the urban renewal area. This planning initiative will require the retention of outside consultants, consistent with ongoing Somerville by Design efforts in Union Square, Winter Hill and Davis Square. In each case, OSPCD staff works to manage and direct the work of consultants, with public participation and involvement sought at virtually every step in the process. That process would be expected to cover a wide range of community planning and dialogue tasks, including:

- **Crowdsourcing**
 - Research, common goals, coordinates existing information, prior actions and baseline conditions.
 - Discuss with key stakeholder, both long term and new. Establish lines of communication and dialogue with these stakeholders and the community at large. Examine similar condition in other successful mixed-use TOD areas.
- **Visioning Presentations**
 - What are the possibilities? What are the obstacles? How best to achieve SomerVision goals?
 - What is the community's position on these various possibilities? Create a schedule for all public meetings going forward and a mechanism for communication through social media. Create graphics to publicize scheduled events and ongoing social media events.
- **Development Options and Possibilities**
 - Infrastructure Improvements, street grid patterns, developable blocks, open space.
 - What is most important overall objective? What does the community prefer in terms of priorities, i.e., commercial development, market ate and affordable housing, traffic calming, open space, etc.?
 - Is current zoning sufficient to achieve our shared values and objectives? Create interactive models to gauge action/reaction between different options. Possible unintended results from each option?
 - Possible consolidation of smaller parcels
 - Series of "open houses" near or on site to present working plans to concerned stakeholders.
 - All dialogue to be conducted in multiple languages to reflect diversity of the community.
- **Design Charrettes**
 - What do these planned improvements look like? How do they function? How are they paid for? Are the economically viable?
 - Create sketch options during phases of the planning effort, evolving into illustrations from aerial and street level perspectives. Photo simulations and street sections.
- **Plan Presentation and Discussion**

- Which of these options are most achievable? What is a reasonable time frame for their implementation? What tools/actions do we need to make these plans real?
- Test for economic impact, both in real time and projected economic cycles.
- Sustainability diagrams, guidelines and analysis
- Create a draft plan for review and debate by public and private stakeholders.
- Create action plan for necessary implementation steps.

All budget estimates in acquiring professional consulting services in what is expected to be a twelve month long effort is based upon current, ongoing Somerville by Design efforts in Union Square, Winter Hill and Davis Square.

BACKGROUND INFORMATION

For all of the progress achieved through the partnership between the City of Somerville, the neighboring community and the Assembly Row project, there remains the lack of a comprehensive plan for that which might occur outside the boundaries of those parcels under the control of Federal Realty Investment Trust. The current Assembly Square Urban Renewal Plan ("the Plan"), adopted more than a decade ago, represents one of the most important actions in the City of Somerville's long history. This remarkable planning and revitalization document established goals for Assembly Square, including:

- The creation of jobs, mixed income housing, tax revenues, amenities and open space;
- The improvement of transportation links between Somerville and major economic centers through Greater Boston, and;
- Perhaps most importantly, establishing Assembly Square as a viable and exciting mixed use development location founded upon the principles of smart growth.

In large part, most of those goals have either been met or are well on their way to being met. These achievements within the approximately 129 acres that comprise the Assembly Square Urban Renewal Area can trace their success back to three essential elements:

- Community based planning;
- The commitment to invest in much needed infrastructure improvements as a means of attaining the Plan's goals; and
- A strong partnership between the public and private sectors with the shared purpose of creating and capturing new economic value.

One of most important goals set by the current 2002 Plan is ***"to improve the utility infrastructure in Assembly Square and encourage (environmental) remediation of former industrial sites to a level suitable for the proposed mix of uses."***

The current 2002 Plan lists as among its goals twelve (12) different infrastructure upgrade items including roadways, public transit, utilities, open space and long term items such as coordination with improvements to the adjacent Sullivan Square area. What is consistent throughout the Plan, made more noticeable by the ambitious elements of infrastructure improvements (i.e., the "New Main Street" as part of the extension to Assembly Square Drive with its new street grid system, new sidewalks, below grade water and sewer upgrades, Baxter Park along the Mystic River, etc.) that have contributed so much to the success of Assembly Row and the Assembly Square Marketplace, is the lack of an action plan for those properties below Assembly Square Drive and along Middlesex Avenue, from the Courthouse to the City of Boston line.

Today, many of those long term plans such as coordination of improvements to the Sullivan Square area are beginning to come to fruition. The fact remains, however, that the current 2002 Plan lacks the resources to transform that underutilized stretch of land, comprising almost another sixty (60) acres, to a size and scale that is being achieved next door at Assembly Row.

Note that for all the planning that went into the current 2002 Plan and all the actual improvements that have been completed to date, none of those plans address the properties below Assembly Square Drive and along Middlesex Avenue to the City of Boston. The evolving vision that was anticipated in the 2002 Plan leaves us currently unable to see these affected properties reach their full economic potential. The lack of progress by some of the property owners in the affected areas might best be represented by circumstances pertaining to 5 Middlesex Ave. Despite a robust economy and ongoing development at Assembly Row, the assessed value of the property actually decreased from FY1204 to FY2015 by approximately seventeen percent (17% (See attached)), a condition resulting from the owner's decision to demolish the obsolete movie theater without a redevelopment plan that takes full advantage of the zoning envelope.

PLANNING GOALS AND POTENTIAL BENEFITS

- The most important goal in this initiative is to continue and extend the professional and community based planning efforts that has led to the success of the Assembly Row portion of the project area.
- A second goal is to unlock the full economic potential and value of those properties below Assembly Square Drive and along Middlesex Avenue through planning followed by a mixture of private and public investment. Previously, the City of Somerville's Assessing Department was asked to analyze the projected revenue changes that might occur if the sixteen affected properties were to be built out to their full potential. Using figures compiled from FY14, the last full fiscal year, the fifteen affected properties collectively generated tax revenues of just over \$1.8 million. Using both the current zoning from the City of Somerville Zoning Code's Assembly Square Mixed Use District (ASMD) and the goals set by SomerVision as to a preferred commercial/residential split, the Assessing Department projects a projected annual yield in excess of \$21 million, nearly an eleven-fold increase (See Attached).
- Current zoning under the ASMD provides for density (Floor Area Ratio) of 10.0 and heights of up to 125', although other areas within the district may build up to 250' in height. The possibility of any modifications to the existing ASMD zoning as a means of enhancing potential economic benefits and incentives could be discussed as part of this planning effort.

The third goal of this planning effort would be to design a workable development grid system for the remaining acreage, examine the types of infrastructure needed to support additional development and look towards the most likely means of funding these improvements, be they private funds, public monies or some combination.

Section 12.02(12) of the current 2002 Plan states, ***"This Major Plan Change...is not intended to serve as a master plan for all public and private actions to take place in Assembly Square over the next 20 years...As the vision evolves and as additional public and private funding sources become available, such changing may include the naming of other properties as acquisition parcels to construct a more urban street grid."***

5 MIDDLESEX AVE**Location** 5 MIDDLESEX AVE**Assessment** \$28,013,200**Mblu** 88/ A/ 1/ /**PID** 1391**Acct#** 19599046**Building Count** 1**Owner** NATIONAL TAX SEARCH LLC
TRUSTEE**Current Value**

Assessment			
Valuation Year	Improvements	Land	Total
2015	\$11,973,300	\$16,039,900	\$28,013,200

Owner of Record

Owner NATIONAL TAX SEARCH LLC TRUSTEE
Co-Owner SOM OFFICE ASSOC - C/O RD MGMT LLC
Address 810 SEVENTH AVE - 10TH FL
 NEW YORK, NY 10019

Sale Price \$0
Book & Page
Sale Date

Ownership History

Ownership History
No Data for Ownership History

Building Information**Building 1 : Section 1**

Year Built: 1980
Living Area: 196187
Replacement Cost: \$18,235,554
Building Percent 58
Good:
Replacement Cost
Less Depreciation: \$10,576,600

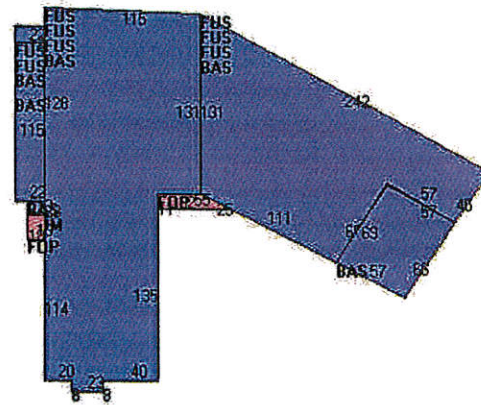
Building Attributes	
Field	Description
STYLE	Office Bldg
MODEL	Commercial
Grade	Average
Stories:	4
Occupancy	13
Exterior Wall 1	Stucco/Masonry
Exterior Wall 2	Pre-finish Metl

Building Photo

(<http://images.vgsi.com/photos/SomervilleMAPhotos//\01\01\92\60.jpg>)

Building Layout

Roof Structure	Flat
Roof Cover	T&G/Rubber
Interior Wall 1	Drywall/Sheet
Interior Wall 2	
Interior Floor 1	Carpet
Interior Floor 2	Vinyl/Asphalt
Heating Fuel	Gas
Heating Type	Forced Air-Duc
AC Type	Central
Bldg Use	OFFICE BLD MDL-94
Total Rooms	
Total Bedrms	00
Total Baths	0
Extra Kitch'	
1st Floor Use:	3400
Heat/AC	HEAT/AC PKGS
Frame Type	MASONRY
Baths/Plumbing	AVERAGE
Ceiling/Wall	SUS-CEIL & WL
Rooms/Prtns	AVERAGE
Wall Height	12
% Corn Wall	0



Building Sub-Areas			Legend
Code	Description	Gross Area	Living Area
FUS	Upper Story, Finished	143360	143360
BAS	First Floor	52827	52827
FOP	Porch, Open, Finished	712	0
UBM	Basement, Unfinished	130	0
		197029	196187

Extra Features

Extra Features					Legend
Code	Description	Size	Value	Bldg #	
ATM1	AUTO TELL LOBB	2 UNITS	\$45,200	1	
SPR2	WET/CONCEALED	196187 S.F.	\$432,400	1	
ELV1	ELEV-PASS 2-3	3 UNITS	\$149,600	1	
ELV2	ELEV FREIGHT	1 UNITS	\$29,400	1	

Land

Land Use

Use Code 3400
Description OFFICE BLD MDL-94
Zone ASMD
Neighborhood 3003
Alt Land Appr No
Category

Land Line Valuation

Size (Acres) 9.11
Frontage 0
Depth 0
Assessed Value \$16,039,900

Outbuildings

Outbuildings							Legend
Code	Description	Sub Code	Sub Description	Size	Value	Bldg #	

PAV1	PAVING-ASPHALT			279500 S.F.	\$419,300	1
KSK2	KIOSK			192 S.F.	\$14,400	1
LT4	W/FOUR LIGHTS			8 UNITS	\$21,400	1
LT1	LIGHTS-IN W/PL			5 UNITS	\$3,400	1
SGN1	SIGN 1 SIDE NO LIGHTS			296 S.F.&HGT	\$5,900	1
SGN1	SIGN 1 SIDE NO LIGHTS			252 S.F.&HGT	\$5,000	1
	ANTENNAS			12	\$54,000	1
	THEATRE			1	\$216,700	1

Valuation History

Assessment			
Valuation Year	Improvements	Land	Total
2015	\$11,973,300	\$16,039,900	\$28,013,200
2014	\$14,412,900	\$15,726,500	\$30,139,400
2013	\$11,472,000	\$11,528,000	\$23,000,000

(c) 2014 Vision Government Solutions, Inc. All rights reserved.

ADDRESS	CURRENT USE	FY2014 VALUE	FY14 TAXES	EST RES VALUE AT FULL BLDOUT	EST COM VALUE AT FULL BLDOUT	EST TOTAL VALUE AT FULL BLDOUT	EST RES *TAXES* AT FULL BLDOUT	EST COM *TAXES* AT FULL BLDOUT	TOTAL EST TAXES FULL BLDOUT
120 MIDDLESEX AVE	Warehouse	\$1,650,200	\$35,995.97	\$4,428,831	\$8,991,869	\$13,420,700	\$56,069.00	\$193,415.10	\$249,484.10
132 MIDDLESEX AVE	Religious	\$3,553,800	\$0.00	\$6,858,654	\$13,925,146	\$20,783,800	\$86,830.56	\$299,529.89	\$386,360.45
20 CUMMINGS ST	Restaurant 99	\$2,588,400	\$56,479.36	\$9,156,642	\$18,590,758	\$27,747,400	\$115,923.09	\$399,887.20	\$515,810.29
74 MIDDLESEX AVE	Restaurant DD	\$1,692,200	\$33,122.80	\$4,432,230	\$8,998,770	\$13,431,000	\$56,112.03	\$193,563.54	\$249,675.57
845 MCGRATH HWY	Vacant land	\$1,609,200	\$35,100.83	\$7,791,993	\$15,820,107	\$23,612,100	\$98,646.63	\$340,290.50	\$438,937.13
5 MIDDLESEX AVE	Off/Theater	\$30,139,400	\$604,705.94	\$105,289,008	\$213,768,592	\$319,057,600	\$1,332,958.84	\$4,598,162.41	\$5,931,121.26
75 MYSTIC AVE	HomeDpt/CC	\$36,999,900	\$807,773.60	\$160,755,210	\$326,381,790	\$487,137,000	\$2,035,160.96	\$7,020,472.30	\$9,055,633.26
29 MYSTIC AVE	Store/Shop	\$1,149,000	\$25,053.45	\$2,333,859	\$4,738,441	\$7,072,300	\$29,546.65	\$101,923.87	\$131,470.52
33 MYSTIC AVE	Store/Shop	\$531,600	\$9,167.37	\$772,629	\$1,568,671	\$2,341,300	\$9,781.48	\$33,742.11	\$43,523.60
20 NORTH UNION ST	Warehouse	\$981,800	\$21,403.03	\$2,425,830	\$4,925,170	\$7,351,000	\$30,711.01	\$105,940.41	\$136,651.41
20 ASSEMBLY SQ DR	Factory	\$4,372,900	\$95,439.73	\$18,015,591	\$36,577,109	\$54,592,700	\$228,077.38	\$786,773.61	\$1,014,851.00
37 MYSTIC AVE	Car rental	\$1,186,400	\$25,869.99	\$4,946,799	\$10,043,501	\$14,990,300	\$62,626.48	\$216,035.71	\$278,662.18
45 MYSTIC AVE	Auto repair	\$1,084,600	\$23,647.43	\$2,986,599	\$6,063,701	\$9,050,300	\$37,810.34	\$130,430.21	\$168,240.55
53 MYSTIC AVE	Warehouse	\$1,793,700	\$39,128.96	\$6,484,995	\$13,166,505	\$19,651,500	\$82,100.04	\$283,211.52	\$365,311.56
0 STURTEVANT ST	Vacant land	\$5,155,700	\$0.00	\$35,241,723	\$71,551,377	\$106,793,100	\$446,160.21	\$1,539,070.12	\$1,985,230.33
		\$94,488,800	\$1,812,888.46	\$371,920,593	\$755,111,507	\$1,127,032,100	\$4,708,514.71	\$16,242,448.52	\$20,950,963.22
* Using FY2014 tax rates, Residential = \$12.66, Commercial = \$21.51									
Assumes all residential development portion as rental units and therefore no adjustment for residential exemptions.									
Excludes CPA surcharge.									
Estimated values assumed as if built using current base rates.									
All estimates assume 67% Commercial use and 33% Residential use split for each parcel. FAR of 10.0 as per ASMD Zoning.									