# **Demonstration Project Plan**

# 90 Washington, Somerville, MA





Somerville Redevelopment Authority City of Somerville January 2019

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## I. Introduction

The purpose of this Demonstration Project Plan ("Plan") is to implement a plan for the elimination of blight at 90 Washington Street in Somerville (the "Property") pursuant to M.G.L. c.121B § 46(f), which the Somerville Redevelopment Authority (the "SRA") will carry out in concert with the City of Somerville (the "City") and its Board of Aldermen (the "BOA"). This Demonstration Project ("Project") provides an opportunity to not only eliminate blight, but to meet a public need for a new public safety building and provide the opportunity for economic development at a transformative scale.

The Property is located at 90 Washington Street (also known as 102 Washington Street) within the Inner Belt neighborhood of Somerville. Currently owned by Cobble Hill Center, LLC, the site contains a strip mall that has been vacant since Summer 2014, at which time the property owners evicted the commercial tenants and fenced the property to pursue a new development project. Although the partnership in control of the Property received approval for their proposed project, the effort was stymied by internal legal disputes. It is the City's understanding that this litigation is ongoing, that a further appeal has been filed, and that the partnership will not be redeveloping the Property in the foreseeable future. The Property is highly visible in the neighborhood and located just steps away from a planned Green Line Station, yet it remains fenced, empty, and decrepit with no clear path forward.

The City of Somerville is in need of a new, modern public safety complex. The current facility at 220 Washington Street is functionally obsolete and requires major improvements. The building has proven to be inadequate for current police and safety operations and, furthermore, has been plagued with structural issues that have led to flooding and leaks. After conducting a thorough space needs assessment and quantifying the amount of space needed, the City initiated a site search process to identify potential sites for a new complex. Sites large enough to house the new public safety complex are extremely rare in Somerville. The 90 Washington site was deemed to be the most viable option in Somerville after an analysis that considered six different sites. This Plan incorporates the full Feasibility Study conducted by Weston & Sampson (Appendix B), as well as previous City communications reflecting the need for a new public safety building and the suitability of 90 Washington for that purpose (Appendices C and D).

In addition to the public safety building, the SRA and BOA will jointly explore additional, complementary uses on the site. As will be discussed later in this Plan, the site is in a prime location steps away from the planned East Somerville Green Line Station and at a highly visible intersection between Inner Belt, Brickbottom, Union Square, and East Somerville. This Project presents an opportunity to satisfy the need for a public safety building, as well as providing additional civic, residential, and/or commercial space. While the current vacant strip mall runs

the risk of further limiting adjacent development, a completed project at this site could have a transformative effect on the neighborhood because of its prime location as a gateway to the Inner Belt.

Based on the analysis and research presented in this Plan, the redevelopment of the Property is best achieved through a Demonstration Project as:

- 1. the Project will eliminate blight on a vacant, decadent site which is detrimental to the safety, health, welfare, and sound growth of the surrounding community;
- 2. the Project will deliver a much-needed public safety building to the community;
- 3. the Project will provide an opportunity to meet additional community objectives like the creation of more civic space, residential units, and/or commercial space for jobs; and
- 4. the Project will serve as a model, innovative approach to community development that combines a public use successfully integrated with private development.

This Plan further outlines the location of the Property, the detrimental effect its current condition has on the surrounding neighborhood, the objectives of the Project, and the process anticipated for the successful completion of the Project.

# II. Project Site

## A. Regional & Neighborhood Context

With 81,000 residents packed into just 4.1 square miles, Somerville, Massachusetts is the most densely populated city in New England. Historically, the city played an important role in America's economy, serving as a center for heavy industry from the mid-19th to mid-20th century. Today, Somerville is more closely associated with its thriving community life, artists, hip restaurants, and innovative cleantech businesses.

The Property is 3.99 ±acres and identified in the City of Somerville Assessors Database as parcel 106-A-6. The site is located south of East Somerville on the edge of the Inner Belt neighborhood with immediate adjacency to the planned MBTA East Somerville Green Line station (see Fig. 1). The station will be completed in 2021, providing quick and convenient transit service easterly to Lechmere Station in Cambridge, where it will connect to the entire MBTA rapid transit system and the commuter rail hub at North Station. Passengers will also be able to board the Green Line and head west to stations at Gilman Square, Lowell Street, Ball Square and Tufts University. The site also provides easy access by car to Interstate 93, which connects to the entirety of Greater Boston.

TOYOTA

Fig. 1: Rendering of East Somerville Green Line Station Area

Source: MBTA c. 2012.

The Project is in Somerville's Inner Belt neighborhood, adjacent to the Brickbottom neighborhood. Inner Belt has historically been a predominantly industrial district of Somerville, with factories, warehouses, distribution centers and railroad connections. Today, it also supports a full-service Holiday Inn located down the street from the Property. The edge of Somerville's Union Square is only a few blocks to the east, and Sullivan Square, in Boston, sits to the west (see Fig. 2). These neighborhoods became Somerville's industrial hub after the installation of railroads in the 1840s connecting eastern Somerville to Boston. They housed leadworks, meatpackers, automotive assemblers, and chemical storage facilities. In the 1850s, much of the land within Inner Belt and Brickbottom was used for kilns to support the local brickmaking industry. By 1872, the Millers River had been filled and the surrounding marshland destroyed. The area was choked with brickyards, slaughterhouses, smokestacks, stagnant ponds, a municipal incinerator, and tightly packed worker housing.

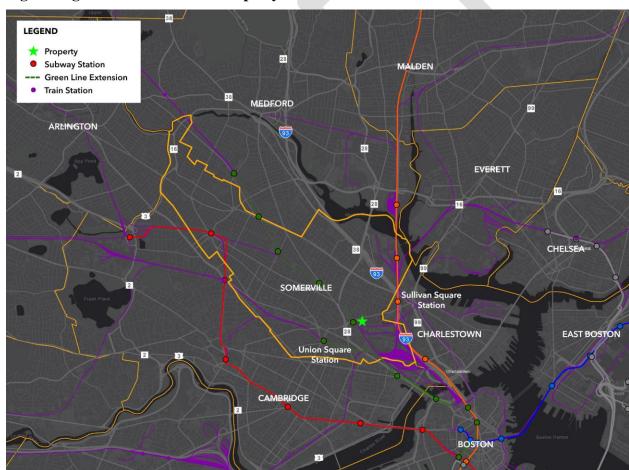


Fig. 2: Regional Context of the Property

Source: MassGIS, City of Somerville GIS

In the 1950s, manufacturing started to ebb in Somerville. As industrial companies left, dozens of structures and homes were razed in preparation for construction of a regional "Inner Belt" Expressway. Community opposition halted construction in 1970, but the area has never recovered economically. Plans in the 1980s and 1990s to turn the area into a technology hub brought additional electrical, fiber, optic, and sewer infrastructure to the area, but the anticipated development never materialized. The Inner Belt and Brickbottom neighborhoods have only 444 residents (ACS 2011–15), nearly all of whom live in the Brickbottom Artists Cooperative (a former factory building) or the Cobble Hill affordable housing development, adjacent to the Property. Since 2014, when commercial and retail tenants were evicted from the Property, there has been no grocery store serving the neighborhood. The neighborhood remains the least developed and most economically and socially challenged part of the city with higher unemployment and a lower median household income.

The decline of manufacturing since the 1950s not only impacted the Inner Belt and Brickbottom neighborhoods acutely, but has also presented challenges for Somerville and its municipal budget. Commercial properties are generally taxable at a much higher rate than residential properties, so when industry fled the area, a significant portion of its commercial tax base was lost. This exodus also caused residential property values to plummet, constraining the City's ability to raise property tax revenue in order to maintain its water systems and sewer systems, roadways, public safety facilities, schools, libraries, and parks. As state aid has declined, Somerville has worked hard to bolster its revenues through careful budgeting and thoughtful community planning. While significant progress has been made--and is most visibly evident in the transformation seen at Assembly Square--the City continues to have one of the lowest per capita spending rates, \$3,022 in FY18, among Massachusetts' medium and large cities.

Despite the challenges of the Inner Belt and Brickbottom neighborhood, there are clear signs of a turnaround. A bustling arts community can be found at the Joy & Chestnut Streets Corridor. This connects several creative industry businesses including the Brickbottom Cooperative, artist studios, a video studio, and ArtFarm, an urban space for a self-sustaining art and urban agriculture laboratory designed to foster community engagement and creativity. Although the neighborhood is partially separated from the rest of Somerville by an elevated section of Route 28, this overpass will be transformed into a surface-level, multi-lane, multi-use urban boulevard within ten years. The de-elevation of this highway will promote further redevelopment opportunities for properties currently trapped by the elevated barrier.

Assembly Square Winter Hill EVERETT Gilman Square Spring Hill East Somerville Sullivan Square CHARLESTOWN **Union Square** Washington Street Inner Belt Brickbottom **Union Square Boynton Yards** Twin City North Point **Community College** CAMBRIDGE

Fig. 3: Neighborhood Context

Note: Star indicates Property location. Source: MassGIS, City of Somerville GIS

The Property is located a half mile from Union Square, which is also poised for transformation (see Fig. 3). Union Square is Somerville's oldest commercial district with local art, entertainment and critically-acclaimed fine dining. The area is on the cusp of a major revitalization as the Green Line Extension arrives in 2021, anchoring a new mixed-use development of 2.3 million square feet of office, housing, and retail space. The Union Square Revitalization Plan, approved in 2012, identified seven parcels for acquisition and disposition by the SRA. Union Square Station Associates, LLC (US2) was chosen as the master developer and is about to break ground on its first project (see Fig. 4). The development will provide 1.156 million square feet of office and science and technology lab space, 140,000 square feet of active ground floor retail, 93,000 square feet of hotel space, 74,000 square feet of arts and creative space, over 900 new residences, 110,000 square feet of civic space, and 27,000 square feet of new neighborhood park (see Fig. 5). This development will bring substantial commercial tax revenue and desperately needed housing to Somerville and create the kind of mixed-use transit-

oriented neighborhoods imagined in SomerVision, the city's comprehensive plan. All of these facilities are located just a short walk from the Property.

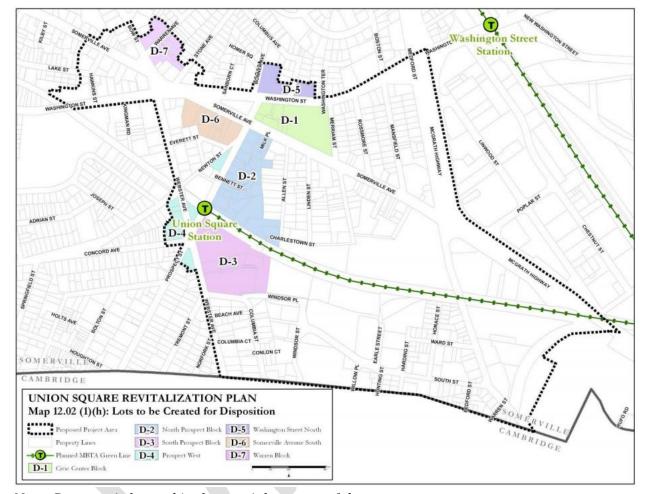


Fig. 4: Union Square Urban Renewal Disposition Parcels

Note: Property is located in the top right corner of the map. Source: Union Square Revitalization Plan, October 2012.

Fig. 5: Union Square Planned Development

Note: Red line denotes current phase of development. Blue denotes commercial development and orange denotes residential development.

Source: DiscoverUSQ.com

#### **B.** Historic Site Conditions

The neighborhood known as Inner Belt used to be on a hill known as Cobble Hill. The Cobble Hill apartments and the vacant Cobble Hill Shopping center (the "Property") stand at the northern side of where the hill used to be. In Revolutionary times, there was a fort at Cobble Hill and in the late 1700s, the Joseph Barrell Mansion was built on the hill. From 1818 to 1895, the Mansion and its surrounding grounds served as the first home for McLean's Hospital, which later moved to Belmont. The area was later filled with rail lines. The mansion was demolished in 1925, and the hill was gradually used as fill. By 1950 most of the area was razed for development. It became an area for industrial uses.

The Property was originally part of a larger parcel which housed an iron foundry and oil company between 1930 and 1975, and then sat vacant from 1975 to 1982. In 1968, the Property had become part of the SRA's Inner Belt Urban Renewal Plan. The plan was created with the expectation that the Inner Belt highway would be constructed, and therefore the SRA needed, according to the plan, "to recreate and revitalize the City's industrial areas," "to eliminate blight and blighting factors and to prevent the recurrence of blight by the clearance of structures which are structurally substandard or which are deteriorated to a degree rendering rehabilitation

impractical," and "to promote sound site planning and building arrangement in the development of individual parcels by private redevelopers in order to achieve coordinated and harmonious urban design," among other goals. With the Inner Belt Urban Renewal Plan, the SRA intended to improve vehicular circulation, protect pedestrians, and develop the site cohesively. The plan proposed changes to utilities and the street network, as well as street improvements. (see Figs. 6 and 7 for maps included in the plan).

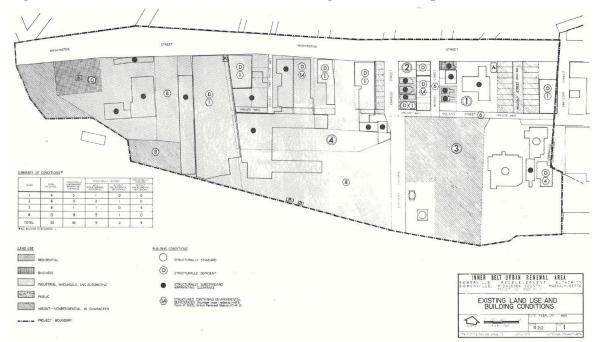


Fig. 6: Inner Belt Urban Renewal Area Existing Land Use Map

Source: Inner Belt Urban Renewal Plan, March 1968

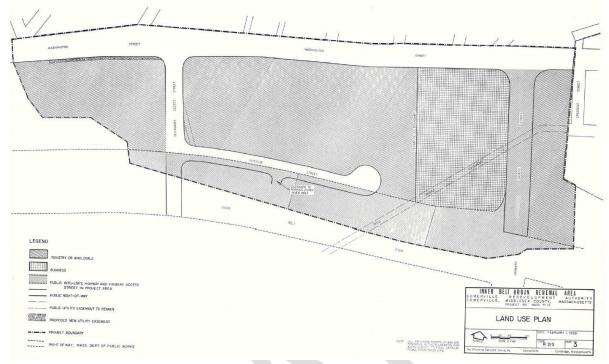


Fig. 7: Inner Belt Urban Renewal Area Land Use Plan

Source: Inner Belt Urban Renewal Plan, March 1968

The SRA sold the site, including the subject Property, in 1980 to a development team in order to realize the goals of the urban renewal plan. Cobble Hill Associates developed a four building, 224-unit complex that opened in 1981 as the Cobble Hill Apartments. The complex includes 190 one-bedroom units and 34 two-bedroom units, all of which are rented to income-eligible seniors and families. The second phase of the project was the 12,555 square foot commercial plaza that opened in 1982 known as the Cobble Hill Plaza (the "Property").

The subject Property includes only the commercial plaza and a small portion of the parking lot associated with the residential complex.

In 2012, the current owners explored potential redevelopment of the site. The parcel was subdivided in 2013 to create the Property as it exists today, (see Fig. 8). The owners submitted a proposal to construct a six-story, mixed-use development, which the Zoning Board of Appeals conditionally approved on October 16th, 2013. The proposal imagined a building that would have helped define the street along Washington Street, with parking behind the main building. The proposal included 12,976 square feet of commercial space on the ground level, a pedestrian plaza of 7,750 square feet, and 159 rental apartments over a 13,000 square foot building footprint. In preparation for the start of construction, the owners evicted the tenants in Summer 2014 and installed a temporary fence to secure the property.

Progress was stalled by dissension among the partners, and the resulting lawsuit halted development. The 2013 variances were extended in July 2015, after the applicant committed to demolishing the strip mall by October of 2015. This approval expired on January 28, 2016, and the Property has since remained vacant. The litigation between the partners of Cobble Hill Center LLC is ongoing. The property continues to languish since the tenants were evicted over four and a half years ago.



Fig. 8: Aerial Overview of Property Today

Note: Green, outlined in A, denotes the Property. B denotes the parcel which A was originally a part of, which now has several buildings of affordable housing. C is the Holiday Inn, which was developed as a part of the Inner Belt Urban Renewal Plan.

Source: City of Somerville GIS Viewer.

#### C. Current Site Condition

The Property is an abandoned, 173,748 square foot parcel containing a single-story, suburbanstyle commercial strip mall. The existing commercial center contains 12,555 square feet and the remainder of the property includes two parking lots, one associated with Cobble Hill Apartments and the other providing 54 spaces for the strip mall.

The exterior of the building has not received significant investment, is in poor condition and requires substantial property improvements. A sagging roof, chipped paint, and other details typical of a long uninhabited building make the property look decrepit. The site perimeter includes temporary construction fencing which is visibly falling apart and leaning over (see Fig. 9). Its lack of vitality and unmaintained condition blunts street life along Washington Street, attracts undesirable activity, and discourages investment by neighboring property owners.

Fig. 9: Property Photos

















Note: Photos taken December 2018.

The vacant site has become a magnet for illicit activity and represents an attractive nuisance. Records from the Somerville Police Department gathered since 2014, at about the time the building became vacant, indicate that the department has received 15 calls regarding this Property. This includes four instances of breaking and entering or larceny and five instances of suspicious, sick, or unwanted persons on the property. The City's Inspectional Services Department has also received complaints regarding the Property over the last few years. The Department issued a citation in April 2016 to replace broken windows.

The fenced-off asphalt lot serving the vacant strip mall remains in an open, blighted condition. Walking along this derelict lot on Washington Street is uncomfortable and unwelcoming for pedestrians. This is particularly unfortunate as the Property's location is a major city gateway seen by 17,000 drivers each day. The Property sits at one of only two entrances into the Inner Belt Neighborhood, and the Property will soon be steps away from the future East Somerville Green Line Station.

### D. Redevelopment Potential and Challenges

The Property is already well-situated as a major gateway into Somerville, with terrific vehicular access and visual prominence along a key corridor into the City. The arrival of the East Somerville Green Line station next door as well as nearby redevelopment efforts in Union Square should foster investment interest.

Currently, the site is zoned for Commercial Residential (BB), which provides a maximum height of 50 feet and a maximum floor area ratio of 2.0. The purpose of this district is "to establish and preserve general commercial and high density residential areas consisting of multi-family developments, shopping centers, commercial strips and automobile related establishments where customers reach individual businesses primarily by automobile." Existing zoning applied to this approximately 4-acre site could potentially allow almost 350,000 square feet of new development, but will require variances to build a walkable project with narrow front-yard setbacks.

The City is currently contemplating an overhaul of the entire zoning code. The proposed zoning for the site in the Somerville Zoning Overhaul is Commercial Industrial (CI), a district that calls for large floorplate buildings up to four stories in height (see Fig. 10). These include warehouse and factory style buildings with multi story offices. The proposed zoning would allow development constructed at a greater density than is currently permitted. It would not permit residential development. At a future date, after more public process, the City may consider an overlay zone, permitting some residential development mixed with a minimum percentage of commercial development.



Fig. 10: Rendering of CI Development

Source: Proposed Somerville Zoning Ordinance

Despite the locational strengths and the potential for robust regulatory entitlements, redevelopment efforts remain stymied. The most prominent challenges include:

- Complicated property ownership: The underlying ownership of the property involves a web of easements, including a parking lot associated with the Cobble Hill Apartments and cross easements for utilities. Further complicating the situation, the owners remain embroiled in a years-long legal dispute which led to the permanent abandonment of the 2013 special permit. Resolution does not appear likely in the foreseeable future.
- Site Contamination: Potential contamination at the site serves as a barrier to private development. The site is contaminated by virtue of its history as the location of an iron foundry and has been assigned RTN 3-0031102 by the Massachusetts Department of Environmental Protection (MassDEP). Environmental site assessments completed by EBI Consulting in 2012 found acenaphthylene, naphthalene, 2-methylnaphthalene, C9-C18 aliphatics and C11-C22 aromatics, all in soil concentrations requiring reporting to MassDEP. In preparation for development, EBI Consulting conducted additional soil characterization work in 2014. Most recently, a Phase II Comprehensive Site Assessment was conducted by McPhail Associates on behalf of the Cobble Hill Apartments Company in September 2018 in accordance with the Massachusetts Contingency Plan (MCP), 210 CMR 40.0000 (see Appendix F).

• Contamination from adjacent sites: The site is located 500 feet from 50 Tufts Street, the site of a former commercial laundry and the source of a large contamination plume that impacts the entire neighborhood. The property at 50 Tufts Street was used for the storage and distribution of industrial chemicals, laundry supplies, and dry-cleaning solvents from 1955 to 2002. The Property is located within the area of impact (see Fig. 11).

According to the September 2018 Phase II report by McPhail Associates, the appropriate remedial option for the site will be the excavation and off-site reuse, recycling or disposal of contaminated soil. In regards to the 50 Tufts plume, their licensed site professional GEI expects to work with any future developer on the site to install appropriate exposure pathway mitigation measures to prevent any of the contamination from further affecting the site. Both components of appropriate remediation, however, are stymied by the current litigation. As the McPhail report indicates, pursuing these remedial actions is not possible until pending litigation is resolved and development is imminent.

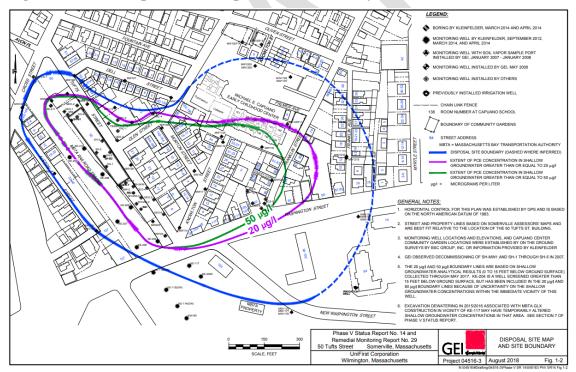


Fig 11: Phase V Disposal Site Map and Site Boundary for 50 Tufts Street

Source:

https://eeaonline.eea.state.ma.us/EEA/fileviewer/Default.aspx?formdataid=0&documentid=457 365

• Inefficient parcel shape: The lot shape and size as subdivided from its easterly neighbor is not ideal. As visible in Fig. 8, the parcel has an odd shape and contains sections that are too narrow for construction. Without dramatically altering the surrounding street network and acquiring the different ownership interests and easements necessary to move streets, maximizing development remains a challenge.

## E. Community Engagement and Vision

The City has a tradition of thoughtful and inclusive public processes to engage residents and other stakeholders about the future of Somerville. The Project and the surrounding neighborhoods have been the subject of several community engagement processes to articulate desires for the future.

The City's 20 year comprehensive plan, SomerVision, clearly articulates the kind of development the community desires on this Property. The district has been designated as one to "transform" with dense, mixed-use development. SomerVision has many ambitious goals, including creating 6,000 new housing units, 30,000 new jobs, and 125 new acres of open space by 2030. One of the community's main strategies for achieving these goals is to target 85% of new development in transformative areas like Inner Belt, and ensure that a substantial portion of the new development will spur job growth through new office, lab and hotel uses.

There are many other goals, policies, and actions listed in SomerVision, and at least 20 of these speak to the need for improvement in Inner Belt, including:

- To transform key opportunity areas, such as Inner Belt into dynamic, mixed-use and transit-oriented districts that serve as economic engines to complement the neighborhoods of Somerville.
- To facilitate thoughtfully-designed, pedestrian-oriented, mixed-use development and reuse opportunities in commercial corridors, squares and around transit stations that are sensitive to neighborhood context and serve existing and future residents and businesses.
- To link Somerville's corridors, squares and growth districts to support future development and economic activity.
- Reduce artificial physical barriers between Inner Belt and Brickbottom, and between East Somerville and West Somerville.
- To promote municipal financial self-determination and reduce fiscal dependence on state aid and residential taxes and fees.

The City completed an Inner Belt Brickbottom Neighborhood Plan (see Appendix E) in 2015. This plan is the result of workshops, focus group meetings, a public "walkshop", and a series of public focus group meetings to generate dialogue on the future of these neighborhoods. The plan

identifies five "core values" based on this community engagement. These values, and how they relate to this Project, are:

- Create great places for people: The Property in its current state is a blighted, fenced-in eyesore.
- Connect neighborhood to neighborhood: Redeveloping the Property to provide a more effective gateway into the Inner Belt area will help provide a friendlier connection to the rest of the city.
- Grow the economy: By providing commercial space, the Property can bring jobs into the area and encourage more economic activity in the vicinity.
- Coordinate public and private investment: The unique delivery model for this project will demonstrate how market-driven private investment can complement and support public investment.
- Deliver ongoing value with sustainable development approaches: Removing a decadent
  use and replacing it with a mixed-use development that provides necessary social services
  and improved landscaping will support the economy, the community and the natural
  environment.

Planning staff is looking to further update some portions of this plan to establish an appropriate percentage of open space and commercial development in Inner Belt and to update the proposed zoning with an overlay that will permit some residential use with a minimum portion of commercial use across the district.

In addition, the exact development of the site could, if properly managed, support numerous other planning efforts and initiatives, including:

- Vision Zero: By supporting bike and pedestrian accommodations, improving the public right of way, and incentivizing the use of the East Somerville station with businesses and civic space, the Property can support the safety of pedestrians, cyclists, and other commuters.
- Somerville Climate Forward: The Capital Projects and Planning Department has stated their hope for a Net Zero building, which would contribute to the City's goals for carbon neutrality.
- Linkage Fees: Large-scale commercial development can support workforce development
  efforts and affordable housing creation through the mandated linkage fees. These
  revenues are spent according to the Jobs Creation and Retention Trust Board and
  Affordable Housing Trust Fund.
- 2016-2023 Open Space and Recreation Plan and Fields Master Plan: Open space is in short supply in Somerville, and there may be an opportunity to incorporate open space on this site depending on the final program and design.

• Food Systems Assessment: Currently the elderly residents in the apartments adjacent to the Property have no easy access to food. The owners of the property initially provided shuttle service to the residents when they evicted Tedeschi from the site. Commercial space for a small neighborhood market may be a reasonable use for the site.

This is just the beginning. The City, BOA and SRA expect to utilize an additional community-focused, interactive public engagement process to clarify the development program for the Property as the SRA implements this Plan as outlined in Section IV of this Demonstration Project Plan.



# III. Objectives

## A. Eliminate Blight

The objectives of the Demonstration Plan Project are as follows:

- (a) To secure the elimination and prevent the recurrence of blighted, deteriorated, deteriorating, or decadent con-ditions in the project area;
- (b) To insure the replacement of such conditions by well- planned, well-designed improvements which provide for the most appropriate reuse of the land in conjunction with the City's comprehensive Plan, SomerVision;
- (c) The improvement of land use and traffic circulation;
- (d) The improvement of public facilities;
- (e) The provision of a decent, pleasant, and humane environment involving a mixture of those land uses needed to produce balanced development;
- (f) To maximize the full socio-economic potential of the project area with the most appropriate land uses and densities, and consistent with the other objectives stated herein;
- (g) To promote economic development which strengthens the City's tax base without unacceptably impacting the physical, social, and cultural environment:
- (h) To establish the minimum necessary land use controls which promote development, yet protect the public interest;
- (i) To establish a set of controls which are adaptable to both ·current and future market conditions:
- (i) To secure development in the shortest possible time period;
- (k) To establish a sense of identity and place for Inner Belt;
- (l) To capitalize on the location next to the Washington Street Green Line Extension station.

The primary objective for the Project is to eliminate blight and to prevent the recurrence of blight by redeveloping an existing property with structures which are structurally substandard or have deteriorated to a degree rendering rehabilitation impractical. The site is blighted due to its dilapidated, unsafe, and unhealthy condition. Public intervention is warranted as the Property seems unlikely to be developed privately due to ongoing litigation, its unusual parcel shape, and environmental contamination.

This Project seeks to resolve these issues in the pursuit of the elimination of blight. Not only will this Project eliminate blight by removing the existing decadent building, but also by pursuing the kind of transformative, mixed-use, transit-oriented development the community calls for in SomerVision and the Inner Belt and Brickbottom Neighborhood Plan. The successful development of the site will improve the safety and health of the neighborhood surrounding it.

## B. Public Safety Complex

The Plan for this Property addresses a critical municipal need: the construction of a new, modern public safety complex. The need for a new public safety facility has been part of the City's Capital Improvement Plan since November 2016, and has been referenced in other city reports for many years.

Currently, the Somerville Police Department headquarters is located at 220 Washington Street, along with Engine 3 and other Somerville Fire Department staff and apparatus. The Public Safety Building has been used for these purposes since 1985, but the building was never designed to function as a police headquarters or to house a fire department. The property was built as a car barn by the MBTA, a use that was maintained until it was transferred to the City in 1985. The building has structural issues which have led to serious flooding. This flooding was so serious that, at one time, Engine 3 staff had to be relocated into temporary trailers and is now working out of modular units located on the site.

The Capital Projects and Planning Department hired Weston & Sampson to conduct a space needs assessment to compile quantitative and qualitative data about the existing facility and to understand administrative and operational goals and how those goals relate to spatial requirements. Based on this information, a space needs summary was developed indicating specific interior and exterior requirements. Individual sketches of key administrative, operational, and support spaces were developed including specific layout information for required furniture and equipment as well as technology, communications, audio/visual, lighting, HVAC, finishes, and privacy requirements. Total building program for the Public Safety building is approximately 84,500 square feet for various uses, including but not limited to, public community space, police administration, training center, police operations, vehicle storage and Fire Department Engine 3. This report is available as Appendix D.

In addition to assessing program needs, Weston & Sampson was also directed to conduct a site investigation. The City provided a preliminary list of sites for exploration, and Weston & Sampson analyzed these options considering size, allowable development size, ownership, zoning and permitting data, and assessed value. This analysis yielded six sites for further evaluation. These included 17 Inner Belt Road, 17 McGrath Highway, 185 Somerville Ave, 501 Mystic Valley Parkway, 526 Somerville Ave, and 90 Washington.

These six sites were evaluated along several criteria, including:

- Fire response time
- Community visibility and connection
- Site access
- Size of usable space

- Shape of site
- Whether Engine 3 could fit
- Proximity to residential district
- Allowed area coverage
- Presence of receptors
- Hazardous materials issues
- Availability of utilities
- Permitting
- Traffic impacts
- Existing structures
- Existing tenants and owners
- Site assessment cost

Based on these criteria, the 90 Washington site scored 63 points out of a possible 85, or 74%. The next ranking site identified was 17 McGrath Highway, which scored 68%.

The Somerville community needs a new public safety facility, and the 90 Washington site is the most suitable one according to third-party analysis. A key objective of this Plan will be to implement a design and construction process for a public safety building that meets all the criteria outlined in the space needs assessment.

## C. Transformative Development Opportunity

It is unlikely that the entire site will be used for the new public safety building. For this reason, a portion of the parcel could support a transformative, mixed-use development program anchored by the nearby East Somerville Green Line Station. Transit-oriented development could meet several important community needs and desires, including tax and job generating commercial development, affordable neighborhood-serving retail uses, community civic space, additional housing, both market rate and affordable, or other community-oriented uses.

Development options will likely provide various schemes for overlapping uses within the buildings, and the details of the development program and tenants will be discussed through a public process over the course of this Project to meet evolving community needs. There is an opportunity to further explore additional public uses such as a regional 911 dispatch center in addition to commercial or residential uses. Ultimately, the goal is to have a Project that meets the public safety requirements as well as provides an engaging and flexible mix of other uses in order to create an accessible, inclusive, and welcoming space.

# IV. Demonstration Project Plan

## A. Legal Basis for Demonstration Project Under Massachusetts Law

As the urban renewal agency for the City of Somerville, the Somerville Redevelopment Authority plays an important role in the redevelopment of transformational districts identified within Somerville's community plan, SomerVision. The SRA exercises powers available to such agencies under Chapter 121B of the Massachusetts General Laws.

The SRA's authority under Chapter 121B includes, among other powers, the power to:

- (i) declare that an area is a substandard, decadent, and/or blighted;
- (ii) prepare plans for the redevelopment of such areas; and
- (iii) to carry out revitalization projects for the "prevention and elimination of slums and urban blight."

Within urban renewal areas, the SRA is authorized to prepare urban renewal plans that call for the undertaking of urban renewal projects aimed at eliminating what the law has defined as decadent, substandard and blighted open areas. The SRA is authorized "to engage in or contract for the construction, reconstruction, alteration, remodeling or repair of any clearance, housing, relocation, urban renewal or other project which it is authorized to undertake or parts thereof." M.G.L. c. 121B § 11(f).

Section 46(f) of Chapter 121B provides the SRA with special authority to adopt and develop "demonstration projects" *outside of urban renewal* areas. Section 46(f) reads, in part: "an urban renewal agency shall have all the powers necessary or convenient to carry out and effectuate the purposes of relevant provisions of the General Laws, and shall have the following powers in addition to those specifically granted in section eleven or elsewhere in this chapter:... (f) to develop, test and report methods and techniques and carry out demonstrations for the prevention and elimination of slums and urban blight."

The terms "slums" and "urban blight" are not defined in c. 121B, but § 1 does define the related terms "substandard", "decadent" and "blighted open":

• **Blighted open**: "a predominantly open area which is detrimental to the safety, health, morals, welfare or sound growth of a community because it is unduly costly to develop it soundly through the ordinary operations of private enterprise by reason of the existence of ledge, rock, unsuitable soil, or other physical conditions, or by reason of the necessity for unduly expensive excavation, fill or grading, or by reason of the need for unduly expensive foundations, retaining walls or unduly expensive measures for waterproofing structures or for draining the area or for the prevention of the flooding thereof or for the

protection of adjacent properties and the water table therein or for unduly expensive measures incident to building around or over rights-of-way through the area, or for otherwise making the area appropriate for sound development, or by reason of obsolete, inappropriate or otherwise faulty platting or subdivision, deterioration of site improvements or facilities, division of the area by rights-of-way, diversity of ownership of plots, or inadequacy of transportation facilities or other utilities, or by reason of tax and special assessment delinquencies, or because there has been a substantial change in business or economic conditions or practices, or an abandonment or cessation of a previous use or of work on improvements begun but not feasible to complete without the aids provided by this chapter, or by reason of any combination of the foregoing or other condition; or a predominantly open area which by reason of any condition or combination of conditions which are not being remedied by the ordinary operations of private enterprise is of such a character that in essence it is detrimental to the safety, health, morals, welfare or sound growth of the community in which it is situated."

- Decadent: "an area which is detrimental to safety, health, morals, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, or obsolete, or in need of major maintenance or repair, or because much of the real estate in recent years has been sold or taken for nonpayment of taxes or upon foreclosure of mortgages, or because buildings have been torn down and not replaced and under existing conditions it is improbable that the buildings will be replaced, or because of a substantial change in business or economic conditions, or because of inadequate light, air, or open space, or because of excessive land coverage or because diversity of ownership, irregular lot sizes or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise, or by reason of any combination of the foregoing conditions."
- **Substandard**: "any area wherein dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities or any combination of these factors, are detrimental to safety, health or morals.

## B. 90 Washington as a Demonstration Project

The 90 Washington Street Project is an appropriate demonstration project, as defined under Section 46(f) of Chapter 121B. The Project includes one single, four-acre parcel located outside of any existing urban renewal area in Somerville. Targeted, public intervention is necessary and appropriate to eliminate the existing blight generated by this long-vacant site. Action is required to prevent the expansion of blight to the surrounding properties and the adjacent neighborhood. In addition, the proposed development program includes a new municipal public safety complex

integrated into a comprehensive reuse plan, which could provide a useful example for other communities throughout the Commonwealth.

The site is blighted and decadent. The sole building on the property--a long-vacant, single-story retail strip mall--is out of repair, physically deteriorated, functionally obsolete, and in need of major maintenance. The poor condition of the site is detailed throughout this document and is an eyesore to anyone walking by or driving along Washington Street.

There exists a real concern that this situation will persist and potentially infect the surrounding area and expand blight throughout the neighborhood. The vacant structure will continue to attract illicit activities and have a detrimental effect on the sound growth and prospects of property investment within the surrounding neighborhood. The ongoing litigation between the owners creates uncertainty and concern among neighbors and other community stakeholders that this blight will be a long-term situation.

This demonstration project could serve as a test for possible application elsewhere in Somerville and in other communities throughout the Commonwealth. Demonstration projects have not been widely used as development tools; only the Cities of Boston and Cambridge have used the demonstration project approach recently. The unique combination of uses proposed on the site, including a municipal public safety complex combined with housing, office and other community uses will require thoughtful collaboration among the SRA, the BOA, the City, neighborhood stakeholders and the development community.

Solving complicated problems with an interactive, community-focused engagement process is what Somerville does best. A public-private development project and the collaborative approach to getting it done will generate lessons Somerville is willing to share with communities throughout the Commonwealth.

## C. Demonstration Project Phases

It is anticipated that implementation of the Project will include six phases. Successful implementation will require close coordination between the SRA, the BOA, project management support by the City of Somerville OSPCD and Capital Projects teams, and development entities. These phases will likely include:

- Demonstration Project Plan Approval
- Acquisition of 90 Washington Street
- Project Delineation and Design
- Developer Selection
- Project Implementation

#### Phase I – Demonstration Project Plan Approval (Q1, 2019)

The 90 Washington Street Demonstration Project will mark the first time that the SRA will utilize Section 46(f) of Mass General Laws Chapter 121B to undertake a redevelopment project. The Project presents a unique opportunity for the SRA and BOA to collaborate, maximizing the strengths and resources of each in order to eliminate blight, site a critically-needed municipal facility and to facilitate transformative development consistent with SomerVision and community needs. This collaboration has been memorialized into a Memorandum of Agreement (MOA) signed by the SRA and the BOA on (ENTER DATE) (See Appendix A).

The Demonstration Project Plan was presented and discussed during a regular meeting of the SRA on January 10, 2019 and adopted on (ENTER DATE). The Plan was presented and discussed during a meeting of the Finance Committee of the BOA on (ENTER DATE) and adopted by the BOA on (ENTER DATE).

#### Phase II - Acquisition of 90 Washington Street (Q1 & Q2, 2019)

Upon adoption of the 90 Washington Street Demonstration Project Plan, the BOA shall vote upon the appropriation of funding to enable the SRA to pay the owner of the Property the pro tanto amount within sixty (60) days of the date of the taking, as required by M.G.L. c. 79. The SRA will vote to acquire the Property through its authority to exercise power of eminent domain.

It is anticipated that the property acquisition will take place in the first half of 2019.

#### Phase III - Project Delineation and Design (2019-2020)

The City will initiate a systematic process of determining the use of the property and design of each project element. The process will recognize that the principal future use of the site shall include a new public safety building. The City will convene a Public Safety Complex Building Committee, which will be tasked with determining how much of the site will be needed for the Complex and guide its construction. Simultaneously, the City will initiate a public process to gather feedback about stakeholder desires related to additional program elements on the portion of the Property not needed for the public safety complex. These two processes will work in collaboration with the goal of creating a development program that meets the needs and of Somerville.

Public Safety Complex Building Committee: The City will convene a Public Safety
Complex Building Committee, which will include City staff from the Somerville Police
Department, Somerville Fire Department, and Capital Projects to provide ongoing input
and decision-making related to the public safety component of the development. The
Committee shall work to advance the Public Safety Complex final design and
construction.

The Committee shall work cooperatively with an Architectural/Engineering firm(s) and the Owner's Project Manager (OPM) in the development of biddable building plans to incorporate the Police headquarters, Fire, Ambulance, Dispatch and Emergency Management Departments. The Committee shall assist the City administration in procurements including but not limited to the engagement of a project designer/engineer, OPM, and Clerk-of-the-Works (COW). The Committee shall work cooperatively with an Architectural/Engineering firm(s), the Owner's Project Manager (OPM), and Clerk-of-the-Works (COW) to incorporate the Police, Fire, Capital Projects team and the Contractor, through project construction. This process shall be conducted pursuant to appropriate public construction bidding and procurement statutes.

The site plan for the Public Safety Complex will likely take one of two forms. Either a portion of the Project parcel may be subdivided to allow the construction of a "stand-alone" multi-story public safety complex or the public safety uses can be incorporated in a larger mixed-use building on the site. An important early action of the Committee and its architects will be to determine which of these two site typologies is feasible and to what extent one approach might maximize development opportunities on the remainder of the parcel. The Committee will work collaboratively with the City, the SRA and the BOA to identify and communicate these opportunities.

• Public Engagement Process: The City, the SRA and the BOA will initiate a public outreach and engagement process to engage stakeholders to explore additional, complementary uses on the site. Somerville directly involves residents in urban design and economic development decisions facing their neighborhood in a meaningful way. That vision is created from the ground up, using a series of steps.

OSPCD will schedule public meetings in the neighborhood to solicit and respond to community input. These meetings will include:

- a. Listening and Visioning Session: OSPCD will facilitate a meeting with the neighborhood to listen and learn what the community would like to see on the Property and what partnerships could help further these programs of uses. The object is to collect as many ideas as possible--nothing is too small, too big, or too crazy for consideration. The City is committed to creating a list of needs and priorities in the neighborhood and a program of uses the community would like to see on this site.
- b. *Design Workshop:* Through the feedback from the Visioning session, City staff and the City's consulting team will explore strategies and design concepts for achieving the community goals for the Property; massing, economic conditions,

traffic circulation, use and design, etc. The feedback loop on the design workshop will inform the final concept presented to the BOA in the next step of the process.

- c. *Final Presentation:* A final concept and list of various uses will be developed to be presented to the BOA, who will have the responsibility of articulating the community's goals and program of uses to determine alternative uses and refine its development objectives for the Request for Qualifications/Proposals ("RFQ/RFP"). The SRA will ratify the future use determined by the BOA, provided that is consistent with this Plan.
- d. Additional steps may be added as necessary.

#### Phase IV – Developer Selection (2020)

If redevelopment of the site, or a portion of the site, by a private developer is determined by the BOA to be the appropriate future use of the property, the SRA shall undertake a process, which may include issuance of a request for proposals or similar process, whereby a developer is selected to implement the future use. City staff will incorporate feedback and input from the Final Presentation and final concept approved by the BOA to draft a request for proposals or qualifications, as appropriate, to solicit proposals from developers interested in implementing the Project.

Through this RFQ/RFP, the SRA expects to select a well-experienced and well-qualified firm that shares in the vision and goals articulated in the Plan as a public-private partnership that works in true cooperation. The Development Partner will work with the SRA and the City of Somerville to realize economic growth, foster new employment opportunities, civic and public uses, and add vitality to Inner Belt and help to address infrastructure needs in a way that encourages pedestrians, cyclists and users of public transit alike in one of the nation's most vibrant and exciting mid-sized cities. Just as important, this RFQ/RFP or similar solicitation process seeks to provide an opportunity for the SRA and the Development Partner to demonstrate a sense of community and place, embracing and enhancing elements that help to definite Inner Belt in its past, in the present and for the future while also creating new economic opportunities for the residents of our City.

The submittals would be evaluated against several criteria components, which may include the following:

- Overall approach and alignment with the Vision and Objectives outlined in Phase III
- Programmatic partnerships and financial structure
- Development entity history, experience, and capacity
- Initial design approach and project schedule

- Redevelopment design and improvement plan
- Project feasibility, including proposed program, operations, costs, and financial plan
- Detailed program description including proposed relationships between uses
- Project schedule and readiness to proceed
- Direct community benefit of building program

The SRA may also weigh the Developer's ability and commitment to meet municipal needs and provide broader public benefits beyond improvements designed to serve only the development itself.

All proposals will be evaluated by a Technical Advisory Committee ("Committee"), who will make recommendations to the BOA and SRA for development teams ("Developer") who secure the highest scores during the evaluation process. The evaluation criteria will include price (to purchase or lease the parcel) as one of many measures of success, but also requires a project to engage the community, meet the proposed standards and guidelines and produce a successful project.

The Committee may request additional information of the applicants in writing and use that information in evaluating the responses. Proposers may be asked to present their proposals to the Committee, other City staff, neighborhood groups, the BOA, the Mayor, and/or the SRA as part of this review process.

Once the Developer is selected pursuant to the process laid out in the MOA, the entity will work with appropriate City departments and the SRA to develop a site design plan, a phasing plan and schedule and detailed financial plan that will help to realize the needs of the Developer while meeting the project goals to establish a mixed-use Transit Oriented Development program consistent with the goals and objectives for development of this Plan. The Developer will be expected to present its implementation plan in a manner which preserves and enhances the sense of place and unique qualities that define Inner Belt, while still providing for an expanded economic base for the City using Transit Oriented Development.

There will be a Land Disposition Agreement (LDA) between the SRA and the designated Developer. The LDA will describe the development to be constructed in detail and will contain safeguards, such as rights of reverter, ensuring that the SRA's expectations as to any proposed project are fully met and that the project is constructed substantially as proposed. The LDA will be approved by the BOA.

The Developer will enter into an Exclusive Negotiating Agreement (ENA) with the SRA and commence good faith negotiations for a LDA. During the ENA period, the Developer will be

required to undertake project design, project outreach, environmental site investigation/testing, and a title search.

#### **Phase V - Project Implementation (2021-**)

The Developer will commence good faith negotiations with the SRA for a LDA. Once the LDA is approved by the BOA and SRA, the Developer will submit construction documents for development. If the project does not break ground within three years from the date of transfer, the SRA will retain the right to take back title to the land at no cost.

#### D. Financial Plan

The Project will integrate public uses, specifically the municipal public safety complex, along with private uses and other community uses. As a result, the project will likely include a mix of funding sources.

- Acquisition Costs: The Demonstration Plan names one property to be acquired, 90
  Washington Street. The total acquisition cost for this property is currently \$8.7 million,
  which is based on a property valuation appraisal recently commissioned by the City. In
  addition to the acquisition price paid to the property owners, acquisition costs may
  include additional appraisals, title, preliminary site assessments, and other closing-related
  expenditures.
- Relocation Costs: The federal Uniform Relocation Assistance and Real Property Act, the federal relocation regulations at 49 CFR 24, along with the Massachusetts General Laws Chapter 79A Relocation Assistance and Regulations at 760 CMR 27.00 et seq. require that assistance and benefits be provided to residents and businesses who are displaced as a result of a real estate acquisition by a public entity, or a private entity using public funds, regardless of whether the real property is acquired by eminent domain or negotiated sale. Negotiated sales between a private entity and a seller using private money are not subject to relocation assistance and benefits. No relocation costs will be incurred for this project. The site is vacant.
- Site Preparation Costs: The site will require demolition of the existing retail plaza and parking lot, potential abatement of hazardous materials and additional site preparation work for buildings, structured parking and potentially, subsurface parking. These costs are estimated at \$2 million. Multiple development approaches are under consideration, which would determine whether the City of Somerville or a private development entity would fund these costs.

• **Development Costs:** The Project consists of at least two project elements, the municipal public safety complex and the private mixed-use development.

The municipal public safety complex is estimated to cost approximately \$48.5 million of base building improvements, according to the most recent City of Somerville Capital Investment Plan (CIP). Additional fit-out costs are anticipated to escalate by 6% per year to reflect the high inflation rates in vertical construction, assuming the project breaks ground in FY 2020 or 2021. OPM, design, and construction oversight costs are 25% of construction costs. These elements may cost \$12 million to \$31 million above the base building costs, depending on the ultimate uses and programs of the building. Additional program elements are under consideration, including a community meeting space and a regional 911 dispatch center.

The construction of the new public safety building has been included as a critical project in the CIP since November 2016. The associated debt service of these two expenses has been factored into the City's long-range financial model for the General Fund.

The City is exploring using the proceeds from the anticipated sale of the Union Square D1 parcel, the current location of the public safety building, to reduce debt service costs.

The private portion of the project will also provide substantial capital. The SRA and City may assist the Developer with securing low interest financing and gap funding resources, as they are available.

The Project may take advantage of multiple public and private sources of funds. One goal is to ensure the long-term financial sustainability of the Project by using private investment in the physical asset and its operations. Traditionally, planning, design, and construction have been independent and sequential. Builders bid on jobs based on finalized designs, and the owner selects the lowest-bidder to develop the project. However, through further analysis and community feedback, the following delivery methods may be explored to better project financing, flexibility, efficient project delivery, and reduced financial risk. Options include:

- o Sale of the parcel
- o Subdivision of the parcel for Public Use and Private Use
- Lease of the land
- o Mixed-use condominium for commercial, housing, and public uses
- O Design Build Finance
- o Public-private partnerships (P3)
- o Construction Management-at-Risk (CM-at-Risk)

#### **Statement of Direct/Indirect Interest**

No member of the SRA nor the BOA, employee or officer of the City of Somerville has, or is believed to have, any direct or indirect interest in any parcel to be acquired under this Demonstration Plan.

### E. Local Approvals

The Demonstration Plan shall require the affirmative vote of a majority of the members of each of the BOA and SRA in order to adopt the Plan. No part of the Plan shall be implemented until the Plan has been approved by both parties.

The Demonstration Plan was submitted to the SRA and Somerville BOA on January 10, 2019. The SRA approved this Plan and MOA at a meeting on (INSERT DATE). The BOA voted (RESULT OF VOTE) to approve the MOA and the 90 Washington Demonstration Plan on (INSERT DATE).

#### F. Demonstration Plan Amendments

From time to time it may be desirable or necessary to amend elements of the Demonstration Plan either as a minor plan amendment or as a major plan amendment. A regular process of assessment and evaluation of the uses and programs will provide valuable feedback on its success in meeting the Vision and Objectives, or alternatively, the need to update them. The process of assessment and evaluation shall be conducted in consultation with the SRA, BOA, OSPCD and the Developer. The assessment should take into account any legal agreements by and between the City and the SRA, actual operations, changing demand or market forces, updates in technology or other innovations, and other outside forces. A minor plan change is a change that does not significantly affect any of the basic elements of the Plan. A major plan change is a significant change in any of the basic elements of the Plan and shall be reviewed and approved through majority vote by the SRA and the Board of Aldermen.

# **Appendices**

The appendices for this Plan are enclosed.

- Appendix A: Memorandum of Agreement, SRA & Board of Aldermen
- Appendix B: New Somerville Police Headquarters Programming and Site Evaluation Report
- Appendix C: Memo Future Public Safety Building
- Appendix D: Proposed Public Safety Building and Fire Department (Engine 3) Presentation
- Appendix E: Inner Belt Brickbottom Plan
- Appendix F: Phase II Comprehensive Site Assessment

