

COLONIAL SUBCOMMITTEE
OF THE
ECONOMIC DEVELOPMENT AND HOUSING ADVISORY COMMITTEE(EDHAC)

REPORT AND RECOMMENDATION

MARCH 16, 2007

COMMITTEE AND SUBCOMMITTEE CHARGE

The Board of Selectmen (BOS) at its March 27, 2006 meeting approved the roles and responsibilities of the EDHAC, as follows—

“The principal role of this committee is to provide management advice to the BOS to protect the interests of the Town in matters, including zoning, which affect the economic development of land and in housing-related filings initiated under Mass G.L. 40B.”

The principal responsibility of the “advisory committee” is to review and analyze These matters, and then to recommend to the BOS for its consideration a Course of action that the committee believes is in the best interest of the Town.

(EDHAC has in two prior situations has made recommendations to the BOS. The first regarded rezoning of Rt. 1 North in October 2005, and the second regarded the filing with DHCD of the Town’s 40B Planned Production Report in April 2006.)

Later, the memo recognizes the need for formation of “task force groups to help analyze or implement charges of the committee. Each task force shall be under the direction of a committee member, and is only authorized to make recommendations to the EDHAC.”

In June 2006, the BOS became aware that the Colonial property would be sold and proposed for development. The BOS authorized the formation of the Colonial SubCommittee of EDHAC, with Mr. Merritt (Chair) and Mr. Dalton of EDHAC as members and Mr. J. Adelson and Mr. R. Whalen as additional members of the SubCommittee. Selectman Drutman and Town Administrator Gustus were liaison to the Subcommittee.

The BOS has asked the SubCommittee and EDHAC to come forward with its report and recommendation regarding the Colonial proposal at the March 19th BOS meeting. The BOS recognizes that some elements of the review are currently being finalized and that some further changes could occur, but nevertheless wishes to have the benefit of the committee’s recommendation at this date.

SUBCOMMITTEE REPORT

A. Process:

SubCommittee members and the liaisons have been involved in all aspects of the review.

Formal committee meetings (eleven) occurred between September and March (Minutes available from Town Clerk's office.)

We presented updates to the BOS Meeting four times. Our Chair attended seven joint meetings of the BOS and the Planning Board. We presented a financial impact summary to the Finance Committee and to the School Committee.

Dozens of working sessions occurred involving one or two members, the liaisons and other parties such as our consultants, and the developer's (National Development) staff and its consultants.

Members and the liaisons have participated in many discussions with residents throughout Town, including those the vicinity of Colonial, to hear their preferences and concerns.

Ongoing negotiations with the developer, and review of the Town's negotiating strategy, occurred during many of these meetings and working sessions

Visits were made to comparable retail sites in Lyndhurst and in Columbus, Ohio, and to a comparable residential site in Burlington.

Due to the complexity and the specialized nature of the proposal, it was determined that the Town needed to engage experienced consultants to assist in four fields:

Commercial real estate – Mr. Richard Reynolds of Reynolds Group

Fiscal impact – Mr. Richard Heaton (“peer review”)

40R zoning and design standards – Mr. Angus Jennings of Concord Development

Traffic engineering – Greenman-Pedersen, Inc. (“peer review”)

Our SubCommittee and liaisons selected these firms. Funds advanced into escrow by the developer have been used to pay for their services.

We have relied heavily on the consultants' guidance and expertise in their respective fields. Mr Reynolds and Mr. Jennings have also been actively engaged with the BOS and the Planning Board. All have issued, or will soon issue, their findings.

As the review progressed, the direction of our SubCommittee's work and goals evolved. It became clear that the three major deliverables to the BOS would be:

First - A proposed zoning bylaw, under recently enacted MA G.L. Chapter 40R. By using 40R the Town, under a comprehensive bylaw, would rigorously define the particulars of the retail, office and Chapter 40B rental residential components that were planned to be developed. The Department of Housing and Community Development provides specialized approval of such bylaws. Also, an additional bylaw to allow development of a zone for elderly housing by Lynnfield Initiative for the Elderly (L.I.F.E) would be prepared. Both the 40R and the L.I.F.E. bylaws would be incorporated into a single warrant article for voter consideration.

Second – A complementing feature of 40R is regulation of “Design Standards”. The design standards provide the Town with a unique opportunity to control the “look and feel” and quality of the development. Compliance will be monitored by the Planning Board on an ongoing basis.

Third - A “Development Agreement,” which is a contract between the Town and the developer. It enumerates obligations, some very significant, of the developer and of the Town that are not appropriate to include in the bylaw or design standards. The Agreement carries forward to successor landowners.

These three deliverables provide the Town with considerable certainty that the development will be built and maintained as planned and negotiated.

It also became apparent that five other deliverables would constitute support for

major elements of the Town's decision-making process:

A peer review by a qualified financial expert opining on the fairness of the financial impact analysis prepared by the developer's consultant.

A peer review by a qualified traffic engineering firm opining on the analytical techniques and mitigation recommendations of the developer's traffic consultant.

An opinion by the Town's real estate consultant as to the thoroughness and the fiscal and operating results of the Town's deliberations and review process.

An "Alternative Use Analysis" which describes potential other uses of the property and their estimated fiscal impact upon the Town.

A reconciliation of the Town's current 40B affordable housing status with the mandated 10% goal under two assumptions: that all future 40B units are rental units, and another that all are ownership units.

B. Deliverables:

Accompanying this report are the following documents —

1. Proposed 40R Bylaw and L.I.F.E Bylaw as filed with Town Clerk March 7, 2007 for the April 30, 2007 Warrant Article
2. 40R District Design Standards as updated March 9, 2007
3. Development Agreement contract as of March 15, 2007
4. Fiscal Impact Analysis prepared by Connery Associates. Peer review letter from Mr. Heaton which will corroborate Connery's findings expected soon.
5. Opinion Letter dated March 13, 2007 from Greenman-Pederson, Inc., the Town's peer review traffic engineering consultant.
6. Opinion Letter dated March 16, 2007 from Reynolds Group, Inc, the Town's real estate consultant.
7. Alternative Use analysis.
8. 40B Reconciliation schedule.

C. Goals

The BOS has established the following overall goals for the development:

First - That the development have a look, feel and character that fits Lynnfield.

Second - That the development contribute to the long-term economic well-being of the Town by generating tax revenues well in excess of incremental costs associated with the development.

Third – That the development efficiently resolve Lynnfield’s ongoing exposure to additional 40B housing projects, and

Fourth – That the contractual agreement with National Development ensure the development is built and managed as negotiated, and protects the long-term interests of the Town.

D. SubCommittee Conclusion and Recommendation

The SubCommittee has conducted nine months of review and analysis of the proposed Colonial development as described in foregoing section A-“Process.” The eight reports referenced in section B-“Deliverables” are either completed or very near to completion. Based upon the SubCommittee’s deliberations, and the favorable findings of the accompanying reports, we believe that the aforementioned goals established by the BOS have been achieved. We believe that the Colonial proposal by National Development represents the Town’s preferred alternative to other potential re-uses of the site, and should be recommended to voters for approval.

Respectfully submitted,

Colonial SubCommittee of the EDHAC
Al Merritt, Chair