

Town of Natick, Massachusetts

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James Freas, AICP Director

Department of Community and Economic Development 13 East Central Street Natick, Massachusetts 01760

MEMORANDUM

DATE: June 22, 2020

To: Board of Selectmen

FROM: Melissa Malone, Town Administrator

James Freas, Director of Community & Economic Development

RE: St. Patrick's Site Development Agreement Amendment

Meeting Date: June 24, 2020

On April 23, Stonegate Group submitted a request to modify the February 5, 2020 development agreement for the development of the St. Patrick's site. The development agreement represents the terms for Board of Selectmen support for a "friendly 40B" development under the State's Local Initiative Program for the development of affordable housing units. Stonegate is requesting to remove the commercial retail component of the project allowing the proposal to begin the state and local review processes now, rather than having to wait for rezoning to occur at Fall Town Meeting to permit commercial retail uses. Given the challenges facing retail spaces and the increasing need for new housing options, both long-term trends that the economic impacts of the pandemic have accelerated, staff supports this request.

Why adopt a development agreement for the St. Patrick's site?

For the BoS and the Town at large, development agreements provide an opportunity to advance redevelopment of vacant or underutilized properties, and, in the case of the St. Patrick's site, support the redevelopment of an eyesore and attractive nuisance for the neighborhood. By participating in this development agreement, the Town is able to mandate a greater diversity of much needed affordable housing at various levels of affordability than it would otherwise get from any other project that could locate on this site. In addition, over a number of months, CED staff met with residents of the neighborhood in order to arrive at a design that would address many of their concerns. Through the development agreement, the BoS is able to ensure that the redevelopment of the site incorporates these design solutions.

The development agreement only creates a starting point that outlines the outer limits of a potential project. The ZBA, with staff support, will have the task of guiding a final approvable project taking into account and addressing technical issues and any outstanding concerns within the neighborhood. Most

importantly, the development agreement creates the opportunity for something to happen at this site on an expedited schedule, remedying what is otherwise an ongoing problem for the neighborhood.

What has changed?

Natick, like many other communities across the region and the country, has experienced the challenges of a changing retail real estate market. Online sales and an overall increasingly competitive marketplace have forced commercial retail areas from small downtowns like Natick Center to regional malls, to adopt new strategies and new retail formats to draw in customers. The COVID-19 pandemic has accelerated these trends for both retail as well as restaurants, a commercial type that had previously been growing in the market place. The solution to achieving a strengthened and sustainable retail/commercial area is to concentrate commercial uses into core areas and support the area through the introduction of events, arts, and other draws. The basic idea is to build up the commercial area as a destination — a place people want to visit.

For residential uses, the pandemic has exposed and highlighted the incredible need for affordable housing options across the region. Prior to the pandemic, the significant employment growth and the strength of the regional economy coupled with the historically low rate of housing production and strict zoning controls, led to a housing shortage in the Boston region. The pandemic has only heightened the need and demand for every community to offer an array of housing options for all residents, regardless of income, in an effort to encourage socio and ethnic diversity.

The following table shows the breakdown of affordable units proposed in the St Patrick's site development agreement.

	Original Agreement	Proposed Agreement
Total Unit Count	54	66
Total Affordable Units (25%)	14	17
Units at 80% AMI (80%)	11	14
Units at 30-50% AMI (20%)	2	3

The Town sponsored a community open house in February that drew a number of neighborhood residents, many of which indicated support for the proposed project. From this meeting, and individual meetings by CED staff with residents of the neighborhood, there has been a great deal of appreciation for the effort to mediate a project design that responds to many of their concerns. One of the major concerns remaining for some residents of the neighborhood was with the potential for parking problems associated with the commercial space. While the permitting process would likely have presented solutions to addressing this issue, removing the commercial space entirely clearly and simply addresses the concern. The ZBA permitting process will create an opportunity for discussion and resolution of remaining concerns with the project.

Natick 2030

The Land Use, Zoning, & Community Character chapter of Natick 2030 includes a number of recommendations for Natick Center. In general, these recommendations focus on the idea of continuing to enhance the area for its long-term commercial viability. The recommendations include pedestrian oriented improvements, aesthetic improvements, and continuing to support residential development. The proposed zoning changes in the plan all seek to reinforce these ideas. As with all planning ideas, what is most important is the clear identification of goals and objectives and what is central to achieving those goals, recognizing that the specifics will necessarily be modified as we move forward and conditions change. New residences close to Natick center will continue to reinforce the vibrancy and viability of the commercial area. An attractive building at this location with a façade that appropriately engages the street will strengthen the approach to downtown.

Responding to the long-term housing trends identified above, the Natick 2030 process identified strong support within the community for supporting a diverse range of housing types and a greater supply of affordable housing. Supporting the socio-economic diversity of the community, creating opportunities for seniors to downsize while staying in Natick, and creating affordable choices for existing Natick families as well as new members of the community are all implicit goals of the Plan and objectives realized in this project. The Plan clearly calls for the production of more multi-family units, especially in Natick Center, and for a portion of those units to be deed-restricted as affordable across a range of price points.