

MEMORANDUM

August 31, 1998

TO: Kelley's Corner Working Group

FROM: Peter Ashton

SUBJ: Discussions with Developer "A" re Kelley's Corner Development

To date I have had two discussions with this developer regarding the types of economic incentives that it might take to generate some "redevelopment" activity at Kelley's Corner, as well as other issues regarding the area such as traffic, etc. This developer is knowledgeable about the area, but is not involved in any development projects in Acton and has no "business interest" in Kelley's Corner. He had not read all of the materials provided, but did review the KC Plan, the Circulation Study and the Zoning Bylaws.

Subjective Issues

Range & Mix of Uses

Supports the idea of multi-use development; has seen it successfully done in Concord and Lexington. Our bylaws need some revision, especially examination of permitted uses; for example Kelley's Corner should allow restaurants, multifamily, combined uses; should discourage building trade shops - query how did Meinecke get there in the first place?? Office space with residential is one example of mixed use that would work at KC.

User sizes

Need to examine re-development on a quadrant by quadrant basis; probably need at least 1 or 2 large sites, especially in one of the first developments to pull the rest along. Smaller shops are more pleasing but turn over much more quickly and also tend to place greater burden on peak traffic (Dunkin Donuts, Starbucks, etc.). If get one or two large users at or near the beginning of the development process, the rest will fall into place much more easily. He considers a large user to be someone like a moderate sized retail (e.g., T J Maxx) or a reasonably sized office building.

Practicality of Scale of Development

Don't try to do it all at once!!! Very emphatic on this point. Best plan would be to first take on one quadrant, e.g., K-mart or SE quadrant, and try to get that re-developed, and then move on. Also must recognize that this process will take many years - an area as large as Kelley's Corner will

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not change overnight or even in 5-10 years. This is what happened in West Concord and Waltham. Probably better this way anyway; if change and re-development occurs too quickly, it is more difficult to control.

Public vs. Private Incentives

Tax incentives and other breaks the town might give directly to the developer are not worth the effort or the "cost." A developer will make the project work on his/her own economics or the project will not go forward. Tax breaks are "gravy" but not the carrot that makes the project work. Under certain circumstances other incentives such as infrastructure improvements can make a difference, but they have to be viewed on a case by case basis. With Kelley's Corner, efforts to improve traffic, especially at the intersection of 111/27 would help, but on the other hand, efforts to make the area more pedestrian friendly, i.e., to facilitate "one stop shopping" and pedestrian movement from one quadrant to another, are not likely to have beneficial results at least in the short run. The advent of sewers would be a big plus.

With regard to density bonuses, etc. the most important thing to this developer was not the allowed FAR level, but rather having enough parking. He indicated that two of the towns he works in (Concord and Lexington) do not have zoning based on FAR levels, but rather all proposed commercial development is evaluated based almost solely on whether sufficient parking will be available. He indicated that even in other towns which do have FAR-based zoning, they generally are more concerned about the impact on parking than the density of a development and this should be the focus of our attention. He did not feel that traffic was a major issue at this point in time (although his basis for comparison is Concord and Lexington centers) because of the lengthy time period involved in re-developing the area. He did note that traffic will always be a concern given the nature of the area, whether development occurs or not.

Feasibility of Upper Story Uses

He felt that residential was the best use, but certain types of office space work as well (doctors, dental, other services). Depending on the type of development, a bar or restaurant could work as well; see some of this in Cambridge and it seems to work.

Other Considerations

Have we considered appointing an "ombudsman" within the planning or building department to push development in this area. If we as a Town are really interested in changing the face of Kelley's Corner, we should consider this idea to make others aware that the Town views this as a priority and this would give the town a central reference with whom the developer could work. As a general matter, changes to zoning don't make that much of a difference unless the zoning is so restrictive so as to prevent any development. In the case of the KC zoning, this developer does not

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believe our zoning is overly restrictive, although higher allowed density levels and fewer restrictions on the height of new buildings would be useful changes.

Don't focus on tax incentives or other "direct" subsidies to the developer, but find ways to work with the developer to trade off his/her needs with the Town's. With regard to aesthetics, this developer felt the first project or two would be key, and the Town needed to work with the developer on ensuring the project met our goals regarding aesthetics.

Economic Climate

Strike while the iron is hot! We ought to be getting started now while the economic climate is favorable, recognizing that given the time it will take to re-develop all of Kelley's Corner there will be economic downturns as well as upswings. Reiterated the idea of focusing on one quadrant and working to get that done first as quickly as possible.

Objective Issues

Re K-Mart/SW Quadrant: Perfect site for office, retail, mixed use development. Probably easiest site to work on first. Is owner willing to sell - affects the economics. FAR of .4 could work, but on the other hand might need to go as high as 0.8 depending on type of development and what the economic driver is for the project. Sees the need for varying FARs depending on use/type of development and the willingness of the Town to grant special permits if we stay at 0.4. If get one developer to re-develop an entire quadrant can trade off one site vs. another in terms of FAR, parking, etc. Doesn't want to tie project economics to a specific density level.

Re S/E Quadrant: more difficult due to different uses currently there; how to get rid of Meinecke? This is true re-development project and again is done best if you can get one developer to do the whole quadrant, but less likely here. Parking needs and reducing curb cuts are two top priorities the Town should look at here in return for high density or other incentives the Town might offer. If looking at mixed use (retail/office or retail/residential) density may need to be increased above 0.4.

Re Undeveloped site: we did not focus on this alternative.

MEMORANDUM

September 2, 1998

TO: Kelley's Corner Working Group

FROM: Peter Ashton

SUBJ: Discussions with Developer "B" re Kelley's Corner Development

This is the developer/planner I spoke to originally about Kelley's Corner and he and I had an extended conversation this past Monday; he had reviewed some but not all of the materials provided, but has some definitive opinions about Kelley's Corner. This man lived in Kelley's Corner at one point in time and is quite knowledgeable about the area, although he is not doing any commercial development work in Acton. In the past he has worked in West Concord and Concord.

Subjective Issues

Range & Mix of Uses

This developer claims we should take a very detailed look at our permitted uses in the zoning bylaws and evaluate what really makes sense for KC and what does not. He was somewhat surprised that KC had its own zoning. If we spend more time evaluating the permitted uses and delete the number requiring special permits, we might solve part of the problem. Need to identify the "qualities" of the development we would most desire and then work with the permitted uses to encourage such development/uses. Can't spend a lot of time revising zoning regulations that require town meeting approval - this takes too much time and risk of disapproval. He would rather see the effort go toward working with a developer to work as much as possible within existing zoning and then grant waivers or special permits where necessary. Across the board changes to zoning regulations (e.g., FAR levels) are a waste of time. We should concentrate more on each individual projects and be willing to offer the appropriate "carrot" in return for the increased value the developer will bring. In many cases this will involve tradeoffs such as allowing a five story building in one location in return for a park or playground in another area.

He strongly encourages mixed use development and has built several himself, primarily residential with either retail or office. Encouraging mixed use requires a very flexible approach to zoning and consideration of other incentives. "Flexibility" was a common theme throughout our discussion. (Sounds like a developer!!)

He does not see KC ever being very pedestrian friendly, at least not in the near term. It is a function of having two major roads intersect one another, and barring some major changes, it is unlikely that this area will become much more pedestrian friendly. Rather than worry about making

it more pedestrian friendly, we ought to consider finding ways to have some green space in or near the intersection. Traffic will always be a concern, but all communities have this problem; Acton has been fortunate that its traffic problems have been less severe than other towns such as Concord, Wellesley, and Lexington. Signal improvements at the intersection will help.

User sizes

Can do the entire development with relatively small user sizes, but there are risks with such a strategy. Risks to developer include higher vacancy, higher cost development. Risks to town are empty spaces, less control. He recommends at least one large user in the southern half of KC as an "anchor." Understands that we don't want a Wal-Mart or Rite-Aid, but this is a very difficult thing to control, especially when we seem desirous of attracting new development.

Practicality of Scale of Development

Objects strongly to the rendering shown in the Circulation Plan; he does not believe that we can hope to ever redevelop KC along this visual concept. He discussed the history of the redevelopment of West Concord which he believes is directly comparable to what we are trying to do at KC. It has taken over 15 years to redevelop West Concord, and it is still changing, including parcels that still require redevelopment. Redevelopment of West Concord was done on a parcel by parcel basis. The town (Concord) was very flexible in how it approached redeveloping West Concord and was willing to make tradeoffs to see the proper mix of uses and type of development go in. West Concord is a good model for KC, although we have to realize that this process takes time, and the town must be creative in working with zoning and with developers to realize the potential this area offers. He also mentioned Concord Crossing (near the Concord RR station) as another example of "good" redevelopment; there are a number of examples of "bad" sites that have been turned around, although far fewer that are on the scale we are considering at KC.

Public vs. Private Incentives

Public incentives such as tax breaks are not worth the cost to the town and are quite risky. In searching for the "economic engine" to spur redevelopment, sewers were the biggest item this developer could think of. If the town approves sewers, he believes that this can be a real economic driver for development at KC. These are the types of incentives the town should focus on, not tax incentives or across the board changes in FAR levels.

Feasibility of Upper Story Uses

Absolutely can use upper stories for non-residential uses. This developer recently completed a two-story multi-use project that has the upper level dedicated to residential, and wishes now that some of the top level had been dedicated to other uses such as retail or office space. Does not see

this as a deterrent, but favors this type of development. Critical issue is ensuring sufficient parking; that can be a problem in many areas that are already developed.

TDR's

Favors their use on a limited basis. Not that familiar with mechanics, but in an area such as KC, he thinks this is a good idea as long as the town is flexible in its approach and how these rights are granted, i.e., should not be tied just to density levels, but also consider building height restrictions, trading for open space, parking, etc. He is adamant that shared parking does not work.

Other Considerations

Current plan as indicated in Circulation Study must be considered a concept only - cannot be the working plan because it won't work. Understands why residents, others were concerned by this.

He strongly advises us to update our topographic mapping as a way to get a better understanding of what we have and what we want to change. Need to work with the zoning, especially permitted uses and define precisely what uses we are willing to have and those we do not want. Our zoning could be tighter. Allow deviations from zoning as long as town gets something back. One example is to permit a six story office building at Kmart with parking garage and in return have open space at/or near the 27/111 intersection. Town must be creative and flexible in finding ways to encourage development. Several parcels need radical changes, others do not.

Understands the need to reduce curb cuts - good idea especially within 150' of the 27/111 intersection. Not supportive of the "urban village streets." Doesn't think the existing one works very well.

Economic Climate

Should try to take advantage of the current boom. Need to move quickly. Should concentrate on trying to attract some initial activity in the area as a "case study" to see what happens.

Objective Issues

This developer only really focused on the SW quadrant:

The Kmart site has the most potential; would like to see a mixed use facility there; get rid of all the asphalt! Can keep McDonald's or offer them an alternative site. Be willing to waive height and density restrictions if get something in return. In fact we should be prepared to go as high as an FAR of 1.0 or allow up to 5 stories as "bonuses." But don't set FAR levels at 1.0 across the entire

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KC district. This is why a flexible approach is needed. Also don't want to have to go to Town Meeting because this leads to unacceptable delays. Should take this parcel or group of parcels and establish a clear set of goals or qualities that we would like to see there. Believes that if this parcel is done right, others will follow, but the process will take time just as it did in West Concord. Best municipal assistance right now is to approve/install sewers and to take a flexible approach to developing the area - allow special permitting where it makes sense. Tradeoffs of tax rebates with density levels make no sense.