

# **Final Report of the Economic Development Study Committee:**

## **Westminster's Future Economic Development Opportunities**



**Prepared by: Mullin Associates Inc.**

**June 11, 2007**

**Report of the Economic Development Study Committee:  
Westminster's Future Economic Development Opportunities**

**A. Background**

At the January 10<sup>th</sup> Special Town Meeting a special committee was formed to “assist a local study committee in conducting an analysis, facilitating public discussion and offering a recommendation on exploring economic development opportunities for the Town of Westminster.” The Town appropriated \$6,000 for the project. Dr. John Mullin, President of Mullin Associates, was retained as the Committee’s consultant.

**B. The Members**

The fifteen member committee included a cross section of town people including representatives of various boards and committees, small business owners and local residents from different areas of town. Karen Murphy, town coordinator, and Alicia Altieri, town planner, were ex-officio members. The fifteen members were:

- |                     |                      |
|---------------------|----------------------|
| 1. Bob Cudak        | 8. James Quill, Jr.  |
| 2. Phil d’Entremont | 9. John Rowland, Jr. |
| 3. Don Frigoletto   | 10. Brian Ruland     |
| 4. Andy Hertel      | 11. Nancy Sampson    |
| 5. Clare Mara       | 12. Andy Sears       |
| 6. Mike Morin       | 13. Joe Serio        |
| 7. Tom O’Toole      | 14. Mike Volmar      |
|                     | 15. Linda Wiest      |

**C. The Charge to the Committee**

The Charge to the Committee was to answer the following questions:

1. Are the Route 2 commercial districts adequate for desired growth?

2. Do the existing By-laws correspond with the type of commercial growth the Town envisions?
3. If they do not correspond with the Town's vision, what amendments should be made?
4. Is the Town well positioned to be in a fiscally sound position once the Westminster/Fitchburg Landfill is closed in 2017?

#### **D. The Process**

The Committee met on six occasions. Dr. Mullin also met two of the major landowners. A review of the Town's zoning by-law, master plan and other documents was undertaken. Moreover, a Fiscal Impact Assessment Model was prepared for the Committee in order that it could gain a sense of the financial impacts of likely future growth on the Town.

#### **E. The Route 2 Corridor**

Westminster's Route 2 Corridor represents an enormous long term economic asset to the Town. With two access/egress points close to the town center and large undeveloped parcels, the Town has the potential of reaping extensive tax benefits. The corridor represents the values of the Town: A small, rural community that is rich in New England character. The structures that can be seen from the highway reflect either the quaintness of the town or well designed, well placed office/industrial/warehouse structures. In short, the present structures fit well into Westminster's community character.

The corridor has the availability of municipally supported electric, water and sewer systems and limited fiber optic connectivity. These infrastructural systems are

essential for any future uses that are to be placed along the corridor. Indeed, there are but a handful of communities in the entire Commonwealth that can boast of having all of the basic requirements for first class industrial/office park use that one can find in Westminister. Based on our work in more than 130 communities across Massachusetts, we have developed a checklist of the requirements for first class industrial/office use development (See Chart below). Westminister’s Corridor is indeed a rarity: It has two properties that meet virtually all of the requirements! Moreover, it also has the Depot and Route 31 industrial parks ready for development.

While the checklist examines the potential for industrial office use, it does not consider the market for industrial/office uses. It is clear that there is a westerly move from Boston in terms of new industrial/office use.

The Industrial/Office Checklist

- |  |         |
|--|---------|
| 1) Are there parcels greater than 50 acres?                                | Yes     |
| 2) Are the parcels presently zoned for industrial use?                     | Yes     |
| 3) Is there municipal water available?                                     | Yes     |
| 4) Is there municipal sewage capacity available?                           | Yes     |
| 5) Is there fiber optic connectivity available?                            | Limited |
| 6) Are the parcels free of environmental hazards?                          | Yes     |
| 7) Have conservation constraints been identified?                          | Yes     |
| 8) Can the sites be accessed without going through residential properties? | Yes     |
| 9) Are the parcels free of extreme slopes?                                 | Yes     |
| 10) Are the parcels within ten minutes of a major highway?                 | Yes     |

11) Are the parcels within thirty minutes of air facilities  
(freight)?

Yes

12) Are the owners willing to develop the parcels?

Yes

Boston's famed Route 128 (America's Technology Highway), approximately fourteen miles outside of the city, is at capacity in terms of available land. Where there is growth, it is occurring in high technology/service industries on parcels that allow increased density or where demolition/reconstruction is occurring. Boston's second ring, Interstate Route 495, approximately 30 miles outside of Boston, is also increasingly approaching build-out, particularly near its access points along the westerly arc between Lowell and Mansfield. Moreover, most of the towns along this corridor have placed strict, relatively low density zoning regulations on industrial/office construction. The combination of the Route 128 and I-495 corridors represents the backbone of Boston's growing and changing economy. They are the places where one now finds large concentrations of software, medical instruments, genetics, biotechnology and other technology firms. They both will, we expect, increase in density but will not absorb extraordinary growth. Boston's third ring (located approximately 40-50 miles from Boston), the Rt. 146, I-190, I-290 corridor, on the other hand has large parcels of land that are available. We expect this road, particularly between Worcester and Lancaster to begin to significantly develop over the next decade. This corridor, at its closest point to Westminster is only a few miles distant. It also has easy four-directional access to major concentrations of population along high speed corridors.

Beyond these industrial concentrations, there is also the proverbial 800-pound guerilla: Devens. The former military base, now controlled by the Massachusetts

Development Authority (Mass Development), has been the recipient of extensive state investment with the goal of making it a major center of industrial/office/technology activity. It is succeeding. Most recently it attracted the Squibb Corporation to one of its sites. More such companies are likely to follow. With hundreds of acres of land available, easy access to population centers, and up-to-date infrastructural systems in place, we expect Devens to grow exponentially over the coming decade. And smaller companies employing less than twenty workers? We expect most of these companies will be absorbed into former mill space where rental costs are still quite low. We expect that they will move into Fitchburg, Leominster and Gardner.

What does the above mean to Westminister? It is clear that industrial growth is moving in its direction. However, there are significant parcels of available land that are potentially developable at Devens and the Worcester-Leominster corridor. These places will absorb a great share of any new, large-scale growth over the next decade. Where there is a demand for space for smaller companies, we anticipate that it will be mainly absorbed by existing vacant mill space.

While all of the above depicts a set of conditions that show there is extensive space available for industry within Westminister's commuting range, it does not mean that such growth will not occur in the town. Many of Westminister's citizens will remember when the former Digital plant unexpectedly came to town. Moreover, Westminister is an attractive, well managed community that, for the right company, would be an ideal place to locate. However, based on current trends, we do not anticipate that this is likely in the foreseeable future.

The potential of the corridor for retail growth, on the other hand, is quite high. It has been a common axiom that retail activity follows people. The movement west out of Greater Boston since the 1980's continues as families seek out housing opportunities that are within their price range. This is called the "Drive Until You Qualify" phenomena. The Fitchburg-Gardner-Leominster area clearly matches the phenomena. Housing prices are still substantially below those inside I-495 while the housing units are still within commuting range of job centers. There is every indication that communities in North Worcester or the Montachusett Region, will continue to expand residentially and help to create new demand for mall development. Indeed, based on conversations with local landowners, it is clear that demand exists at this moment.

The fundamental question facing Westminster is whether or not it wishes to embrace large-scale retail/commercial developments along its corridor. On the positive side, such malls typically provide increased tax revenues for the community and job opportunities for retail workers, first time job seekers, part time workers and retirees. On the negative side, they typically increase traffic, negatively impact local businesses and impact the character of the community if not done sensitively. Moreover, such developments may choose to locate in abutting communities with the result that Westminster would receive additional traffic while the nearby community would obtain the tax revenue. Westminster has made clear its desire to prohibit mall development by controlling the size of retail operations to less than 25,000 square feet. By so doing, the town has stated that it does not wish to welcome such development. On the other hand, the current zoning, with a maximum size of 25,000 square feet for one structure is quite

restrictive and could result in small incremental uncoordinated developments. This has the potential of negatively impacting community character.

Is there any reason to urge that this decision be revisited? If Westminster was cash poor, facing large capital expenses, in dire need of job generation or becoming an urbanized community, then we would urge that the townspeople re-examine their decision. But this is not the case. The town is well managed, it has its capital expenditures under control, there is a satisfactory job market and it is maintaining its rural character. We see no need, in the near term, to take any efforts to embrace large-scale retail activity along the corridor. We do, however, urge that site design standards be strengthened.

Now, if there is no obvious demand for industrial/service/office/technology firms coming to Westminster and the town does not welcome large retail/commercial activities, what should the Town recommend for development along the corridor? We believe that the present zoning protects the town from the negative aspects of large scale retail/commercial activities. We also believe that the performance standards in your zoning by-law governing industrial/service/office/technology uses adequately protect the town from negative side affects. For these reasons, we urge the Town to keep its present zoning in place.

However, we believe that the present zoning does not enable the town to proactively guide development that matches its future needs while protecting its character. For example, we have noted that there are fewer and fewer young families (pre-child) in the community and that there is an increasingly emerging elderly population. Both of these groups are candidates for smaller homes, apartments and

condominiums. We have also noted that the town wishes to embrace small businesses that match the character of the community. With these points in mind, we urge the town to consider developing an incentive overlay over the Route 2 Corridor that would enable developers to create Planned Unit Developments. An overlay is a tool used by towns to guide pinpointed development that matches community needs to specific areas without changing the basic underlying zoning. It does so through special permit powers. Please note that the overlays could be specialized for specific parts of the corridor.

#### **F. Planned Unit Development**

Planned Unit Developments (PUD's) serve four primary purposes:

1. Allow mixed uses. PUD ordinances were adopted by local governments because of criticisms of the rigidity of conventional zoning. PUDs arose as a way to permit a mixture of land uses (usually residential, with a mix of housing types and sometimes with some accompanying neighborhood commercial uses) that was otherwise not allowed by conventional zoning districts.
2. Permit design flexibility and creativity. Due to their flexibility in development standards, PUD ordinances encourage creative design. Some of the creativity and flexibility is suggested so that developers will use land more efficiently. PUDs are not usually subject to standard height, area (lot size) and setback controls that typical zoning districts require.
3. Provide for more open space. PUDs provide for public and/or community open space that is typically not achievable under conventional zoning and standard subdivision planning practices.

4. Coordinate as one development. The conventional subdivision platting process has had the effect of discouraging large-scale projects, because larger projects take longer to build and are easily disrupted by changes in local regulations. PUDs may consist of only one tract, or they may be subdivided into a number of tracts, but a key defining feature of a PUD is that it is developed as a single development. PUDs, particularly the larger ones, are likely to be developed in a sequence of coordinated phases.

The objectives of the PUD are:

1. Protect the scenic, historic, environmental, natural or man made resources of the town;
2. Insure the corridor development matches the character and qualities of the town;
3. Expand the tax base and employment opportunities in the town;
4. Create a variety of housing options designed to meet the needs of the various lifestyles of existing and future residents. Promote affordable housing in new residential developments;
5. Expand retail and office space in the community consistent in character with the town;
6. Provide a mixture of land uses, densities and building types within the Town of Westminster;
7. Allow greater density and intensity of residential development than would normally be allowed provided that the land usage can be shown to be in the public good;

8. Encourage historic preservation, infill development and adaptive re-use of historic structures in applicable zoning districts;
9. Preserve, promote and encourage use of public and private open space;
10. Encourage developments that provide parking for general public use on a sharing basis;
11. Guide development consistent with the Town's current Master Plan; and
12. Facilitate high quality, integrated planning of large scale developments beneficial to the Town, and constructed in a manner which is highly responsive to specific sites and their surroundings.

The Advisory Committee reviewed the proposed PUD option and could not come to an agreement as to its applicability. In some cases, there was concern about the type of housing, the creation of a new business district and the market for office uses. In other cases, there was concern over density bonuses and the process. There was consensus, however, that the idea of the PUD had merit. More than any other point, the Committee wisely noted that this idea had to be nurtured and not rushed. For this reason, we have included a draft PUD amendment for study purposes. We urge that the Committee continue to function as a working group and, if consensus emerges, bring it to a future town meeting. A copy is attached.

#### **G. The Findings**

The Committee, through consensus, determined the following:

1. The Route 2 Corridor represents Westminster's primary gateway to distant points and reflects Westminster's historic, cultural and rural values.

2. The Corridor has tremendous potential for industrial development and low density commercial development.
3. The Corridor, in terms of industrial growth, will grow very slowly: Large scale growth will be largely blocked by Devens while infill is most likely to occur in nearby Fitchburg, Leominster and Gardner.
4. There is demand for large scale commercial development. In fact, there are developers currently interested in developing “box retailers” along Westminster’s Route 2 Corridor.
5. It was the consensus of the Committee that large scale commercial development would change the character of the corridor. It, therefore, does not recommend zoning revisions to accept such development at this time.
6. Based on the fiscal impact analysis, the Corridor has the potential to replace the lost revenue from the Landfill.
7. While the Route 2 Corridor has the potential to be developed, it is essential that its assets be marketed.
8. While the Route 2 Corridor’s zoning does protect the Town from large scale commercial development, it does not in itself ensure that other forms of development will match the Town’s character.

## **H. Recommendations**

Based on the findings noted above, the Committee recommends the following:

1. The present zoning by-laws, including the limitation of retail operations at the 25,000 sq ft maximum, remain in place at this time.

2. The Town explores means and methods to ensure tighter performance standards/site design requirements that reflect the Town's character.
3. The Town, working through State and Regional Agencies, begins to market the Corridor.
4. The Town explores designating the two existing industrial parks as MGL Chapter 43D – Expedited Permitting Areas.
5. The Town explores the creation of a mixed use overlay district for at least part of the Corridor.
6. The Town determines if it is adequately covered in terms of fiber-optic connectivity. If not, the Town should develop a plan to ensure that the Corridor is covered.
7. The Town, through the Fiscal Impact Assessment Model, carefully monitors the financial impacts of growth and reports the findings on an annual basis.
8. The Town continues the activities of the Economic Development Study Committee. The charge of this committee would be:
  - a) To determine if a Planned Unit Development option is feasible and, if so, what should be allowed under the bylaw.
  - b) To determine if tighter performance standards/site design requirements are in order along the Corridor.
  - c) To determine the fiber-optic needs of the Community.
  - d) To monitor and report annually on the fiscal impacts of growth.
  - e) To determine if the Town should amend its zoning to allow biotechnology uses.

- f) To explore allowing retail buildings greater than 25,000 sq. ft. but restrict any single use to 25,000 sq. ft.
- g) Focus retail development in the town center area. Encourage small business development and quality design of new buildings and preservation of significantly historic buildings.
- h) Explore the use of MGL Chapter 40R to encourage mixed-use developments in the town center.
- i) Continue to encourage and attract tourism.

### **I. Fiscal Impact Assessment**

Fiscal Impact Analysis is defined by Listokin and Burchell, authors of the Fiscal Impact Handbook, as: “the projection of the direct, current, public cost and revenues associated with residential or non-residential growth to the local jurisdictions(s) in which growth is taking place”. The definition needs to be diagnosed:

1. Direct means that only the cost and revenue associated with development are measured. In other words, this tool could not be used to measure the fact that the project in question would generate, for example, a new supermarket or a mall.
2. Current means that all cost and revenues are based on the provision that the project is “up and running” during the fiscal year in question.
3. Public refers to the assessment of public cost and revenues. It is not concerned with the developer’s profitability or private amenities.

Condominium fees and the like are not public; therefore they are not part of

this analysis. However, school expenses, property tax revenues, excise tax revenues and intergovernmental transfers are part of the analysis.

4. Local jurisdiction applies only to those cities, towns, districts and counties where there is a direct link to the project in question. In other words, if the project is on the edge of town and will cause increased traffic control costs in the adjacent town, the cost to the adjacent town will not be calculated.

#### The Residential Assessment Technique: The Proportional Valuation Method

There are two major components to this model – revenues and costs. The model measures the revenues a project generates against the costs the town incurs in servicing the project. A town has three basic categories of revenues. These are property taxes, state aid and miscellaneous taxes and fees such as those paid for town government services. In recent years, funds from state aid sources have been diminishing while property taxes have been rising. The huge majority of town revenues are generated from property taxes.

A town also has costs. The three basic categories of costs are school costs, service costs such as road maintenance, government, police, fire protection, sewer, water, recreation, waste removal, and debt service. Each new project the town allows to be built generates both revenues and costs. The fiscal impact assessment can help determine these revenues and costs.

In order to calculate the fiscal impact of any project, data related to the project and fiscal information for the local jurisdiction need to be entered. The “input” factors are explained as follows:

- Market Value of Development. In the case of Residential Development, this is often the market value of each home multiplied by the number of new homes. If the market value of development will be affected by other taxable amenities, these should also be factored in.
- Assessment Ratio for Tax Purposes. The Assessor's Department should be consulted for the current assessment ratio.
- Town Tax Rate per \$1,000. This is the tax paid per \$1,000 of assessed property value. The Assessor's Department should be consulted for the current tax rate.
- Town Tax Levy. This is the tax levy from property taxes collected by the Town. The Assessor's Department should be consulted for the current tax levy.
- Total School Budget. This is the appropriated school budget. The School Superintendent's Office should be consulted for the current budget.
- School Aid from State. The School Superintendent's Office should be consulted for the current budget.
- Local Share of the School Budget. This is calculated by subtracting State School Aid from Total School Budget.
- Number of School Children. The School Superintendent's Office should be consulted for the current enrollment.

- Current Local School Cost per Student. This is calculated by dividing the Local Share of School Budget by the number of school children. The School Superintendent's Office should be consulted.
- Current School Aid per Student. This is calculated by dividing the State School Aid by the number of school children. The School Superintendent's Office should be consulted.
- School Aged Children Multiplier. Listokin and Burchell presents school aged children (SAC) multipliers for different housing types (Table 1). Primary data can also be collected through surveys of comparable developments.
- Other Miscellaneous Revenue. This includes intergovernmental revenue (excluding those for education) and other local receipts. The Treasurer's Office should be consulted.
- Appropriated Expenditures. This includes general operating budgets, debt service and other local expenditures (excluding those for education). The Treasurer's Office should be consulted.
- Number of Units in New Development. This is the number of single family units proposed in the new development.
- Residential Proportion of Real Property. This is the proportion of tax levy that was raised through property assessed as residential. The Assessor's Office should be consulted.
- Existing Residential Units. This is the number of existing residential units in town.

- Residential Share of Total Equalized Value. The Assessor’s Office should be consulted.
- Average Home Price in Town. This figure can be updated by consulting the Assessor or Realtors in the region.
- Capital Improvements. The Town Administrator’s Office should be consulted.

**Table 1: Listokin and Burchell Multipliers School Aged Children in a Single Family Home in New England**

	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	Blended
<b>All Grades</b>	<b>0.243</b>	<b>0.793</b>	<b>1.470</b>	<b>2.052</b>	<b>0.890</b>
Kindergarten to 6 Grade	0.175	0.536	0.845	0.918	0.526
Junior High School	0.037	0.148	0.343	0.616	0.176
High School	0.031	0.109	0.281	0.517	0.138

The model presented is interactive. Any figure on the data input page may be changed to reflect local conditions on a development-by-development basis. For example if the housing development is geared toward seniors, one can change the school aged multiplier to “0”. By doing this, no school costs will be calculated. If a particular development induces capital improvements costs, those may be entered into the model as well to get an accurate assessment of impacts.

Based on the input data, the model calculates the following output:

- Estimated Property Tax Revenue. This is the amount of property taxes that a town would collect given current tax rates and assessment ratios.

- Estimated Additional Miscellaneous Income. This is an estimate of income that would be generated through local receipts and intergovernmental transfers.
- Total School Costs per Year. This is based on current costs per student and estimated number of students in the new development, a yearly school cost is calculated.
- Town Service Costs for Residential Units. These are service and operating costs for new development are proportional to existing service costs for residential units in town.
- Capital Improvement Costs. These are costs associated with Capital Improvements that are triggered by new development are calculated on a yearly bases given current bond rating, interest rates, length of bond issue and percentage directly attributed to new development.
- Net Benefit (Loss) to the Town. This is the total dollar amount of annual property tax benefit to the Town due to new development, minus the total service costs associated with new development. A negative number indicates a fiscal loss to the Town.
- Decrease (Increase) in Tax Rate. A net benefit to the Town will result in lowering the tax rate, per thousand dollars of assessed value for all residents. A net cost, on the other hand, will increase the tax rate for all residents in the Town.
- Total Yearly Savings to the Average Home Owner. This is the dollar amount saved, yearly, on property tax payments by the owner of a

home with a median value in Town. The median value indicates an assessed value for an average home in Town. Homes that are assessed at a higher value will save more if there is a net decrease in the tax rate per thousand dollars (i.e. net benefit to the town due to new development). The savings would be less than calculated by the model for homes costing less than the median value. Negative numbers indicate an increase in total tax payments on an average home.

### *Methodology*

#### **Revenue Calculations**

Revenues to be considered are (a) direct property taxes that will be generated; (b) miscellaneous revenues that will be generated based on existing patterns and proportions and; (c) state aid that may be collected (mainly state aid for education) based on existing patterns and proportions.

#### **Cost Calculations**

Three types of costs are associated with residential development. The most significant is school costs, calculated by applying the current cost per student to the estimated number of new students. The second cost element relates to service costs. This is calculated based on existing service costs applied in a proportionate manner to new development. The third cost element comes into effect if development triggers some sort of capital expenditure. Again, the capital costs are applied in a proportional manner.

#### **Summary Results**

The fiscal impact of development is calculated by subtracting the total costs associated with development by the total revenue that can be anticipated from development.

### **The Non-Residential Assessment Technique: The Proportional Valuation Method**

The Proportional Valuation Method is an average costing approach used to project the impact of industrial and commercial development on local costs and revenues. This two step process which first assigns a share of total municipal costs to local non-residential uses and secondly allocates a portion of these non-residential costs to new non-residential developments. The basic assumption is that municipal costs increase with the intensity of land use, and change in real property value is a reasonable substitute for change in intensity of use.

In order to calculate the fiscal impact of any project, data related to the project and fiscal information for the local jurisdiction need to be entered. The “input” factors are explained as follows:

- **Market Value of Development.** In the case of Commercial and Industrial Development, this is most frequently based on the value per square foot multiplied by the size of the development. If the market value of development will be affected by other taxable amenities, these should also be factored.
- **Assessment Ratio for Tax Purposes.** The Assessor’s Department should be consulted for the current assessment ratio.

- Town Tax Rate per \$1,000. This is the tax paid per \$1,000 of assessed property value. The Assessor's Department should be consulted for the current tax rate.
- Town Tax Levy. This is the tax levy from property taxes collected by the Town. The Assessor's Department should be consulted for the current tax levy.
- Appropriated Service Expenditures. This includes general operating budgets, debt service and other local expenditures (excluding those for education). The Treasurer's Office should be consulted.
- Commercial/Industrial Proportion of Real Property. This is the proportion of tax levy that was raised through property assessed as commercial or industrial. The Assessor's Office should be consulted.
- Commercial Industrial Share of Total Equalized Value. The Assessor's Office should be consulted.
- Average Home Price in Town. This figure can be updated by consulting the Assessor or Realtors in the region.
- Capital Improvements. The Town Administrator's Office should be consulted.

*Methodology*

**Revenue Calculations**

1. Assign a share of existing municipal revenues to existing total non-residential uses by using proportional valuation.

2. Project the proportion of incoming facility to local nonresidential property value and multiply it by total existing municipal revenues attributed to existing nonresidential uses to determine additional revenues due to new development.

### **Cost Calculations**

1. Assign a share of existing municipal expenditures to existing total non-residential uses by using proportional valuation.
2. Project the proportion of incoming facility to total local nonresidential property value and multiply it by total existing municipal expenditures attributed to existing nonresidential uses to determine additional expenditures due to new development.

### **Summary Results**

The fiscal impact of development is calculated by subtracting the total costs associated with development by the total revenue that can be anticipated from development.

### **The Interactive Fiscal Impact Model**

The fiscal impact model presented here is totally interactive. We have provided the spreadsheet template used to generate fiscal impacts for any future residential development. This can be used with any spreadsheet program such as Microsoft Excel for Windows. Figures need to be entered only in the data input section of the model. The rest of the spreadsheet applies formulas to calculate the impacts.

### **Summary: The following represent our analysis for Westminster:**

#### **Commercial/Industrial**

10 Million in Investment = \$100,000 in net fiscal revenue

Every \$1 in tax revenue generates 41c in costs

**Case 1**

Full build-out of the two currently zoned industrial parks

Potential Net Fiscal Impact with 3,751,033 sq ft @ \$60/sq ft      \$2,303,481.89

Full build-out of the two currently zoned industrial parks

Potential Net Fiscal Impact with 3,751,033 sq ft @ \$100/sq ft      \$3,839,136.48

**Case 2**

Simplex Property under current build-out

Potential Net Fiscal Impact with 1,142,132 sq ft @ \$60/sq ft      \$701,374.89

Simplex Property under current build-out

Potential Net Fiscal Impact with 1,142,132 sq ft @ \$100/sq ft      \$1,168,958.16

**Residential**

Average Home Price = 350,000

Number of school kids/home = 0.89

Break Even value of Home      \$566,000.00

Break Even w/o landfill revenues      \$638,600.00

Every \$1 in tax revenue generates \$1.60 in costs

## APPENDIX A

### **Proposed Route 2 Corridor Planned Unit Development Town of Westminster**

#### **Background**

Planned Unit Developments serve four primary purposes:

1. Allow mixed uses. PUD ordinances were adopted by local governments because of criticisms of the rigidity of conventional zoning. PUDs arose as a way to permit a mixture of land uses (usually residential, with a mix of housing types and sometimes with some accompanying neighborhood commercial uses) that was otherwise not allowed by conventional zoning districts.
2. Permit design flexibility and creativity. Due to their flexibility in development standards, PUD ordinances encourage creative design. Some of the creativity and flexibility is suggested so that developers will use land more efficiently. PUDs are not usually subject to standard height, area (lot size) and setback controls that typical zoning districts require.
3. Provide for more open space. PUDs provide for public and/or community open space that is typically not achievable under conventional zoning and standard subdivision platting practices.
4. Coordinate as one development. The conventional subdivision platting process has had the effect of discouraging large-scale projects, because larger projects take longer to build and are easily disrupted by changes in local regulations. PUDs may consist of only one tract, or they may be subdivided into a number of tracts, but a key defining feature of a PUD is that it is developed as a single development. PUDs, particularly the larger ones, are likely to be developed in a sequence of coordinated phases.

**Each of these purposes as well as objectives specific to Westminster are addressed in the proposed bylaw. The Town may identify target areas or parcels for inclusion on the zoning map as a PUD overlay district.**

## APPENDIX A

### **205-8. ROUTE 2 PLANNED UNIT DEVELOPMENT (PUD) OVERLAY DISTRICTS:**

- A. **APPLICABILITY:** This section establishes the Route 2 Corridor Overlay District. Permits the planned unit developments (PUDs) in the corridor for parcels designated on the Zoning Map and listed in this section. The requirements of this Section 205-8 shall apply only to applications for special permits for PUD in Planned Unit Development (PUD) Districts shown on the Zoning Map. Planned Unit Development (PUD) Districts shown on the Zoning Map shall conform in all respects to any other pertinent sections of the Zoning Bylaw.
- B. **PURPOSE and OBJECTIVES:** The purpose of the PUD special permit is to:
- a. Protect the scenic, historic, environmental, natural or man-made resources of the town;
  - b. Insure that the corridor development matches the character and qualities of the town;
  - c. Expand the tax base and employment opportunities in the town;
  - d. Create a variety of housing options designed to meet the needs of the various lifestyles of existing and future residents. Promote affordable housing in new residential developments;
  - e. Expand retail and office space in the community consistent in character with the town;
  - f. Provide a mixture of land uses, densities and building types within the Town of Westminster;
  - g. Allow greater density and intensity of residential development than would normally be allowed provided that the land usage can be shown to be in the public good;
  - h. Encourage historic preservation, infill development and adaptive re-use of historic structures in applicable zoning districts;
  - i. Preserve, promote and encourage use of public and private open space;
  - j. Encourage developments that provide parking for general public use on a sharing basis, and;
  - k. Guide development consistent with the Town's current Master Plan;
  - l. Facilitate high quality, integrated planning of large-scale developments beneficial to the Town and constructed in a manner which is highly responsive to specific sites and their surroundings.
- C. **AUTHORITY TO GRANT PERMITS:** The Planning Board is the special permit granting authority for Planned Unit Developments under this section. The Planning Board may grant a special permit for the construction of a Planned Unit Development (PUD) in the districts identified on the zoning map. The special permit shall conform to this title including section 205-34, Site Plan Review, and to Chapter 40A, Section 9, General Laws, and to regulations which the Planning Board shall adopt for carrying out its requirements under this title.

## APPENDIX A

### D. **PROCEDURE:**

- (1) **Pre-application Conference:** Prior to the submission of an application for a special permit, the applicant should confer with the Planning Board to obtain information and guidance before entering into binding commitments or incurring substantial expense in the preparation of plans, surveys, and other data. The purpose of the pre-application conference shall be to familiarize both the developer and the Planning Board with each other's intentions with respect to the PUD.
- (2) **Preliminary Plan** – The applicant may file a preliminary plan accompanied by the form entitled “Submission of Preliminary Plan – Planned Unit Development” to the Planning Board. The applicant shall include any administrative fee in accordance with the schedule established by the Planning Board. The Planning Board shall upon receipt of the complete preliminary application and supporting documents, and within twenty (2) days from the pre-application presentation at a regularly scheduled meeting, review and determine whether the proposed project is consistent with the development of the Town. The Planning Board may suggest modifications and changes to the preliminary plan in anticipation of the filing of the final plan. If the Planning Board fails to act within forth-five (45) days of receipt of a complete preliminary plan and application, the applicant may proceed to file a final plan.
- (3) **Preliminary Plan Contents:** The contents of a preliminary plan for a PUD shall contain:
  - (a) Project boundaries, north arrow, date, scale, legend, and title (Preliminary Plan: Planned Unit Development), the name or names of applicants and engineer or designer.
  - (b) Names of all abutters, land uses, and approximate location and width of all adjacent streets.
  - (c) Show the existing and proposed lines of streets, ways, easements and any public areas within or next to the project.
  - (d) The approximate boundary lines of existing and proposed lots with approximate areas and dimensions.
  - (e) Indicate the proposed system of drainage, including adjacent existing natural waterways and the topography of the land.
  - (f) Show the existing and proposed buildings, significant structures and proposed open space on the project site, and include adjacent buildings and their actual use.
  - (g) An analysis of the natural features of the site, including wetlands, flood plains, slopes over 10% soil conditions and other features requested by the Planning Board or required by the regulations of the Planning Board.
  - (h) A description of the neighborhood in which the tract lies, including uses, utilities and other public facilities and the general impact of the proposed project upon them.
  - (i) A summary of environmental concerns relating to the project.
- (4) **FINAL APPLICATION:** The application for Planned Unit Development (PUD) special permit shall be made in accordance with section of the

## APPENDIX A

Westminster Zoning Bylaw. All costs of notification shall be borne by the petitioner.

- (5) **FINAL PLAN CONTENTS:** The final plan shall show the following information and met the following requirements:
- (a) It shall be drawn at a scale of one (1) inch equals forty (40) feet, unless another scale is previously requested and found suitable by the Planning Board.
  - (b) A professional engineer, registered architect, or registered landscape architect shall prepare the Site Plan.
  - (c) The plan shall be stamped by the registered land surveyor who performed the boundary survey and who shall certify the accuracy of the locations of the buildings, setbacks, and all other required dimensions, elevations, and measurements and shall be signed under the penalties of perjury.
  - (d) A utilities and drainage plan shall be prepared by a professional engineer.
  - (e) The scale, date, and north arrow shall be shown.
  - (f) Lot number, dimensions of lot in feet, size of lot in square feet, and width of abutting street and ways.
  - (g) Easements within the lot and abutting thereon.
  - (h) The location of existing or proposed buildings on the lot shall be prepared by a registered architect to include the total square footage and dimensions of all buildings, all buildings elevations and floor plans, and perspective renderings. Further, the depiction of materials and colors to be used shall be required.
  - (i) The total number of establishments and/or dwelling units.
  - (j) The location of existing wetlands, water bodies, wells, one-hundred-year Floodplain elevation and other natural features requested by the Planning Board during the preliminary plan review phase.
  - (k) The distance of existing and proposed buildings from the lot lines and the distance between the buildings on the same lot.
  - (l) Percent of building lot coverage.
  - (m) Average height of each building.
  - (n) The elevation above average finished grade of the floor and ceiling of the lowest floor of each building.
  - (o) Existing and proposed topographical lines at two-foot intervals.
  - (p) The use designation of each building or part thereof, and of each section of open ground, plaza, or usable roof space.
  - (q) Number of parking spaces.
  - (r) Height of all buildings, above average finished grade of the abutting streets.
  - (s) A landscape plan to include the total square feet of all landscape and recreation areas, and depiction of materials to be used, and the quantity, size, and species of plantings.
  - (t) Deed or other recorded instrument that shows the applicant to be the owner under option of the land to be designated as a PUD and that the

## APPENDIX A

land is in single or consolidated ownership at the time of final plan application.

(u) A traffic engineering study including projected traffic flow patterns into and upon the site for both vehicles and pedestrians and an estimate of the projected number of motor vehicle trips to and from the site for an average day and for peak hours.

(v) The applicant shall submit such materials as may be required regarding: measures proposed to prevent pollution to surface water or groundwater, soil erosion, increased runoff, and flooding; design features intended to integrate the proposed new development into the existing landscape, to enhance aesthetic assets, and to screen objectionable features from neighbors.

### **E. USES ALLOWED in ROUTE 2 CORRIDOR PUD DISTRICTS**

- (1) Attached dwellings
- (2) Apartments
- (3) Motels and Hotels
- (4) All uses under Table of Use Regulations, Section D, “Offices and Laboratory”
- (5) All Uses under Table of Use Regulations, Section E, “Retail business and consumer service establishments” EXCEPT Marinas (8), Adult uses (14), and Self Storage (15).
- (6) Open space, parks
- (7) Parking

### **F. MIX OF USES**

A planned unit development shall contain a mix of residential, retail and office uses. In general, no greater than 1/3<sup>rd</sup> of the project’s square footage should be either residential, retail, or office use. In addition, the mix of uses should be built out concurrently. (Or other language that you think will accomplish this intent).

### **G. DIMENSIONAL REQUIREMENTS**

A planned unit development may depart from strict conformance with the required dimension, area, height, bulk, use and specific content regulations of the town zoning bylaws and land use regulations to the extent specified in the PUD application if approved, so long as the PUD provides tangible benefits in the form of provisions of open space, amenities, superior design, etc. Departure from any requirements specified in this section and other town regulations is a privilege and shall be granted only upon approval by the Planning Board. A PUD development plan shall not have to follow the regulations for the zoning district in which the development is located, unless otherwise provided in this section. There shall be no requirements for minimum lot size, minimum lot width, lot coverage, yards and building setbacks or height requirements that apply to PUDs. Dimensional requirements shall be as proposed by the applicant of the PUD and approved by the Planning Board during the PUD preliminary plan review process.

## APPENDIX A

A maximum of two retail buildings in a planned unit development may exceed 25,000 square feet but shall not exceed 45,000 square feet.

### **H. OPEN SPACE**

Usable open space shall be defined as a part or parts of land or structure with a PUD which are reserved for permanent active or passive recreation use. This space shall exclude parking areas, but include required setbacks, waterways, walkway, and be open and unobstructed to the sky. Trees, planting, arbors, flagpoles, sculpture, fountains, swimming pools, atriums, open-air recreation facilities, and similar objects shall not be considered "obstructions".

In all PUD projects that are new construction, at least 40% of the land shall be set aside as permanent usable open space, for the use of the PUD occupants, or for the community. The required open space may be conveyed to the Westminster Conservation Commission, to a nonprofit conservation organization, or to a corporation or trust representing the ownership of the PUD and shall be protected by the conservation restriction as required in Chapter 40A, Section 9, General Laws, for common open space in cluster developments. A covenant shall be placed on the land such that no part of the PUD can be built, sold or occupied until such time as a satisfactory written agreement has been executed for protection of the open space.

Open space requirements may be reduced by the Planning Board to 20% of the land, if over-riding public benefits are proposed in lieu of this requirement. Public benefits that would be considered by the Planning Board are as follows: deeded public parking, historic preservation restrictions as per MGL 184, public open space for use as park or play ground or minimum of 20% of total units as affordable housing that meet the requirements of Chapter 40B Section 20; and

Open space requirements do not apply for PUD projects which are expansions of existing buildings or are major internal renovations. It shall be the objective of this section in cases where private open space has been traditionally utilized by the public; and where the public has been allowed the use of the area as open space, that said open space should not be included as part of the building expansion and is subject under this section of the Bylaw.

### **I. SETBACK REQUIREMENTS**

In Planned Unit Developments, all structures and facilities within the PUD shall be set back not less than fifty (50) feet from adjacent residential property lines.

### **J. HEIGHT REQUIREMENT:**

No buildings in the PUD shall exceed the height allowed by the underlying zoning district. These provisions are applicable to Planned Unit Developments that are allowed as of right or by special permit.

## APPENDIX A

### **K. OFF-STREET PARKING**

In all PUD projects, adequate off-street parking shall be provided for all vehicles normally visiting the property at any one time. The parking may be ground level, underground or in a garage structure. For all residential uses, the use of municipal parking facilities is not permitted to meet the off-street requirements under this section. Unless otherwise permitted by the Planning Board, parking shall be provided on the land in the same ownership or on a separate parcel, provided the nearest parking space is within 500 feet of the principal entrance to the building that the parking lot will serve, and further provided that an agreement will be recorded dedicating the particular parcel to parking use for the long-term use of the buildings in the PUD. A copy of the aforesaid agreement shall be provided to the board before approval of special permit. Parking shall be provided at the following rates, for the different types of use proposed for the PUD project:

- (1) Apartments, condominiums 1.5 spaces per unit
- (2) All commercial & business activities as required in Section Article VIII, off street parking
- (3) The off-street loading requirements for all uses located in a mixed use shall comply with this Bylaw, or as otherwise approved by the Planning Board.

### **L. DESIGN CRITERIA:**

These criteria and guidelines are intended to insure project design and construction which:

1. Provides adequate, structurally sound public and private streets and utilities;
2. Allows logical, efficient development or redevelopment of adjacent properties;
3. Promotes a range of lot sizes, structural design, setbacks, and housing choices within new developments;
4. Respects surrounding context and enhances community character;
5. Considers security and privacy; and
6. Provides usable open space.

Except where the word “shall” is used, the standards and guidelines are not to be construed as mandatory. However, requests for exceptions or variances from these standards and guidelines will be reviewed in the context of the project’s overall consistency with their intent. If the application of these standards and guidelines conflict with more specific requirements in the Zoning Ordinance or other applicable regulations, the more strict standards shall apply.

1. The architectural style and detailing of any entrance monument, fencing materials and any structure, other than single family detached and duplex, should incorporate significant elements and details of the architecture in the surrounding areas,

## APPENDIX A

particularly regarding form, size, color and materials. Note that chain link fencing is particularly discouraged.

2. Driveways and open parking areas should be integrated into the overall design and not be the dominant features along the street frontages.
3. Parking structure entrances should preferably be accessed from streets within the development rather than from public streets and their appearance should be minimized and integrated into the overall design.
4. Buildings within the PUD shall be placed with regards to creating usable and interesting open spaces, good pedestrian circulation and safety, creating a sense of community that encourages neighbors to interact.
  - a) The entryways of the buildings should be well defined and oriented to the street.
  - b) The building elevations, with particular attention to the street facing facade, should be articulated by the use of color, arrangement, materials or architectural details to give visual interest to the structure.
  - c) The buildings should be located and oriented in a manner that takes into consideration the preservation of privacy for the occupants.
  - d) Energy conservation should be addressed by the building's solar orientation and the planting of appropriate landscape materials in proper locations. Design buildings to use natural resources and energy resources efficiently in construction, maintenance, and long-term operation of the building. Buildings on a lot should be sited to allow construction on adjacent lots to do the same. Compliance with Leadership in Energy and Environmental Design (LEED) certification standards and other evolving environmental efficiency standards is encouraged.
  - e) Off street service entrances should preferably be accessed from the rear of the buildings.
  - f) Multiple buildings on the same project site should be placed and designed to create a cohesive visual and functional relationship integrated with adequate surrounding open spaces.
  - g) Any joint use common spaces should be conveniently located for the occupants or other intended users.
  - h) Improvements fronting any intersection included within the development should contribute to the intersection being recognized as a focal point and that no surface parking lot fronts on the intersection.
  - i) In PUDs, any ground floor parking within a structure should be buffered from view on the street facing sides by another use, architectural treatment or landscaping.
5. The overall development design should consider
  - a) Street-level facades should include active uses such as:
    - Residential entrances
    - Shops, restaurants, and cafes
    - Services for the public or for commercial offices such as fitness centers, cafeterias, daycare centers, etc.
    - Community spaces, such as exhibition or meeting space
    - Art exhibition space/display windows

## APPENDIX A

- Commercial lobbies and front doors
  - b) Office/ R&D uses are discouraged from occupying extensive ground-floor frontage. Where these uses do occur, they should occupy no more than 200 to 250 feet of continuous frontage along public streets.
  - c) Major entrances should be located on public streets, and at or near corners wherever possible. Entrances should relate well to crosswalks.
  - d) Blank walls should be avoided along all public streets, courts, and pedestrian walkways.
  - e) Use streetscape elements such as trees, benches, signage, and lighting to support active pedestrian uses and to reinforce the character and identity of each district.
  - f) Design streets to encourage pedestrian and cycle activity, and to control vehicle speed in residential areas.
  - g) In the design of new streets, provide sufficient pavement width to accommodate on-street parking where appropriate in order to provide short-term parking and to serve local retail.
- M. **SPECIAL PERMIT APPROVAL:** Approval of a special permit for a Planned Unit Development shall require a two-thirds vote of the Planning Board and should have received Site Plan Approval. Approval of a special permit for a Planned Unit Development shall also constitute approval and compliance with all Site Plan Review requirements under Section 205-34.
- N. **DENIAL OF SPECIAL PERMIT:** If the special permit is denied, the developer shall not submit substantially the same petition for two (2) years, except as provided under MGL, Ch 40A, Section 16.
- O. **TERM OF SPECIAL PERMIT:** Special permits granted under this chapter shall lapse within two (2) years, excluding the time required to pursue or await the determination of an appeal from the grant thereof, if a substantial use has not commenced sooner or if construction has not started. The Planning Board may grant an extension, after a due process hearing, for good cause, and shall grant an extension if delay has been caused by the need to seek other permits.
- P. **ISSUE OF BUILDING PERMIT:** No building permit shall be issued until the plan, signed by the Town Clerk, is recorded in the Registry of Deeds.
- Q. **CHANGES FROM RECORDED PLAN:** No construction or reconstruction except as shown on the recorded plan shall occur without a further submission of plans to the Planning Board and a notation to this effect shall appear upon the recorded plan and upon any deeds to any property within the Planned Unit Development.
- R. **CRITERIA FOR APPROVAL:** The plan shall be subject to the following conditions and the Planning Board shall make a determination that the project meets all the requirements of Chapter 40A, Section 9, General Laws, and all the following conditions:

## APPENDIX A

- (1) The Planned Unit Development is consistent with the purposes set out in paragraph B.
- (2) The PUD has been reviewed and approved by the Planning Board as to its design and architectural consistency. Further, the Planning Board shall consider and make recommendations regarding, among other things, the architectural value and significance of the site, building, or structure, the general design, arrangement and texture, material and color of the features involved and the relation of such features to similar features of buildings and structures in the surrounding area. In the case of new construction or additions to existing buildings or structures, the Planning Board shall consider the appropriateness of the size and shape of the buildings or structure both in relation to the land area upon which the building or structure is situated and to the buildings or structures in the vicinity. Further, the Planning Board may, in appropriate cases, impose dimensional and setback requirements in addition to those required by this title. The Planning Board shall not consider interior arrangements or architectural features not subject to public view.
- (3) The PUD contains at least one (1) unit for every eight (8) proposed units or 15%, whichever is greater, as affordable housing units deemed to meet M.G.L., Chapter 40B requirements. Such units shall be affordable in perpetuity.

Other changes to be made in the Westminster Zoning Bylaw for consistency with Section 205-8. Planned Unit Development.

Section 205-4, Definitions, Add:

**ACTIVE RECREATIONAL FACILITIES:** Equipment and areas prepared for active use for recreational and leisure purposes, including but not limited to: playground equipment (swing sets and climbing structures); courts for basketball, volleyball, and tennis; leveled, striped fields for football, soccer or multiple purposes; community picnic pavilions (including covered facilities with grills and/or fire rings); community buildings for recreational events and golf courses, excluding clubhouses, developed areas and accessory uses. Trails and bikeways through open spaces shall not be considered active recreational facilities.

**AFFORDABLE HOUSING:** Housing units priced to be available for purchase or rental by households with annual incomes that do not exceed eighty percent (80%) of the median annual household income for the Boston Metropolitan Area as determined by the most recent calculation of the U.S. Department of Housing and Urban Development and so that the annual housing unit cost to the household does not exceed 30% of the annual gross income of the household.

**COMMERCIAL:** A use or structure that is used other than for residential, public, quasi-public or heavy industrial purposes.

## APPENDIX A

**DEVELOPER:** One or more entities proposing together to develop a Planned Unit Development parcel.

**DEVELOPMENT PLAN:** A two-scale drawing of a single-family residential, multi-family residential, institutional, office, or commercial development, or some combination thereof, showing the general layout of a proposed development including among other features the location of buildings, parking areas, buffers and landscaping and open spaces. The development plan and related information form the basis for the approval or disapproval of the development of a PUD.

**OPEN SPACE:** An area within a PUD designed and intended for the use and enjoyment of all residents or for the use and enjoyment of the public in general.

**PLANNED UNIT DEVELOPMENT (PUD):** A form of development characterized by a unified site design for a number of housing units, clustered buildings, common open space and a mix of building types and land uses, which may be in a slightly more dense setting than allowable on separate lots.

**RECREATION, PASSIVE:** Recreational activities and places that generally do not require a developed site. This generally includes such activities as hiking, horseback riding and picnicking, provided that such activities occur in a manner that is consistent with existing natural conditions.

**SITE:** The development parcel upon which a PUD is proposed.

**STRUCTURED PARKING:** In a PUD, a parking garage or all or part of building floors above or below grade to be used for automobile parking.

Section 205-5

Add “Route 2 Corridor Planned Unit Development Districts”

Section 205-6, A. Add language that indicates that PUD districts are overlays and may be show on a separate map. “Except for Floodplain Districts **and Planned Unit Development Districts ...**”

Section 205-32, Parking should make note of the flexible standards in the PUD district.

Section 205-37, Apartments, and general question. Shall PUD developments require affordable housing?