



# City of Somerville Zoning Amendment

## Union Square Zoning Amendment

Meeting #7

1.24.17

# Tonight's Presentation Topics

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1. Website Information
2. Topics for Future Meetings
3. Community Benefits Update
4. Financing Infrastructure

# Tonight's Presentation Topics

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1. Website Information
  - OSPCD Planning
2. Topics for Future Meetings
  - OSPCD Planning
3. Community Benefits Update
  - OSPCD Economic Development
4. Financing Infrastructure
  - Finance



# City of Somerville Zoning Amendment

## 1. Website Information



# City of Somerville Zoning Amendment

All Union Square Zoning  
information is now available at:

<http://www.somervillema.gov/unionsquarezoning>



# City of Somerville Zoning Amendment

## 2. Topics For Future Meetings

# Topics for Future Meetings

- Open space – Quality and Quantity
- MMUR: The optimal commercial/residential split
- Off-site compliance for affordable housing
- Family housing units
- Formula business special permit
- Affordable commercial space (legal review)
- Collecting and enforcing developer contributions
- Dimensions
  - Height on D1 lot
  - Heights/tapering abutting residential neighbors
  - Height of Mechanicals
- Illustrations:
  - Illustration of buildout under current and proposed zoning
  - Shadow impacts of towers at different proposed heights
- Timing / phasing enforcement
- Green: building / roofs / etc.





# City of Somerville Zoning Amendment

## 3. Community Benefits Update

# Community Benefits Update

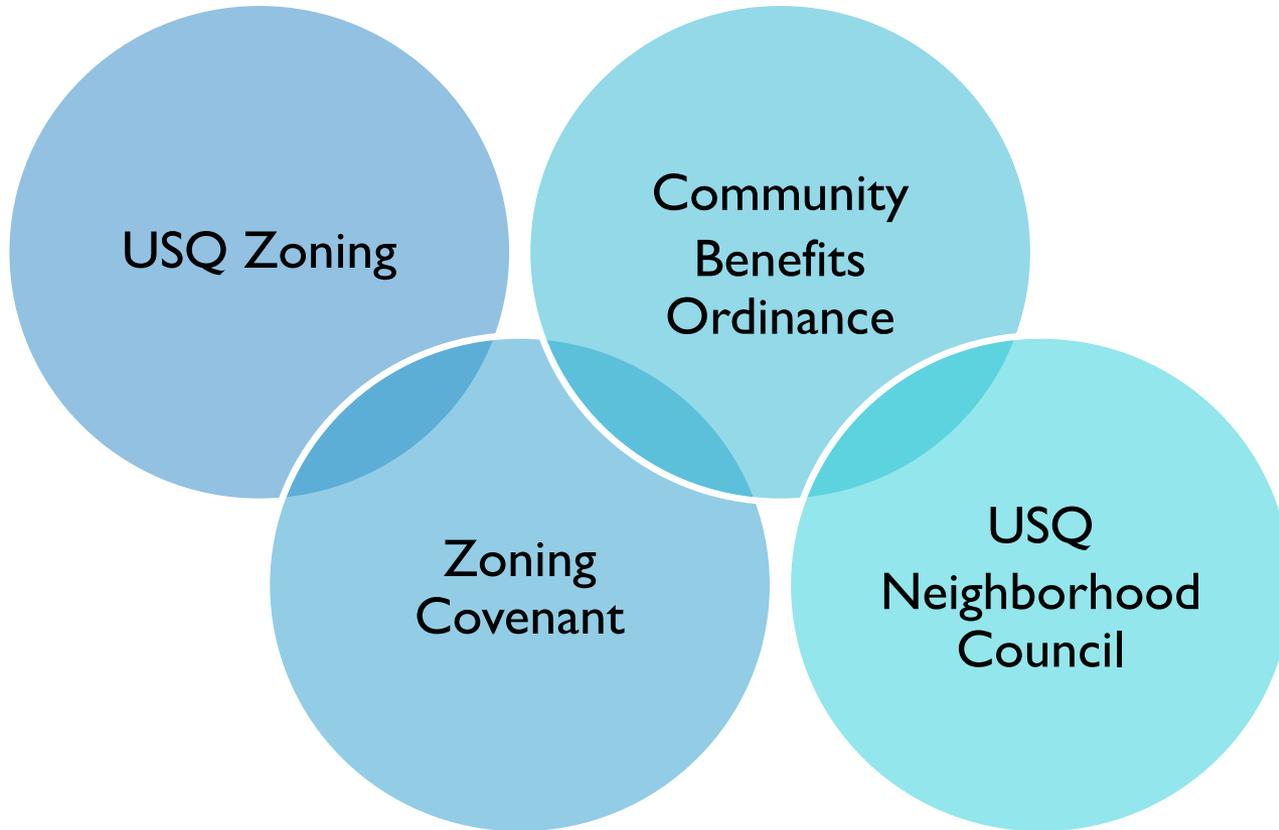
## Community processes to date

- SomerVision (2009-2012)
  - Plan approved in April 2012
- Union Square Neighborhood Plan (2014-2016)
  - Final Plan approved in May 2016
- Union Square Civic Advisory Committee (January 2014 – present)
- LOCUS Strategy Leaders (Nov 2015-Nov 2016)
  - Somerville Union Square Strategic and Community Benefits Plan (published April 2016, final update pending)
  - Place Management Organization (PMO) Subcommittee (May-Nov 2016)
- Mayor Stakeholder Meetings (Dec 2016 - present)



# Community Benefits Update

## Emerging Framework Elements:

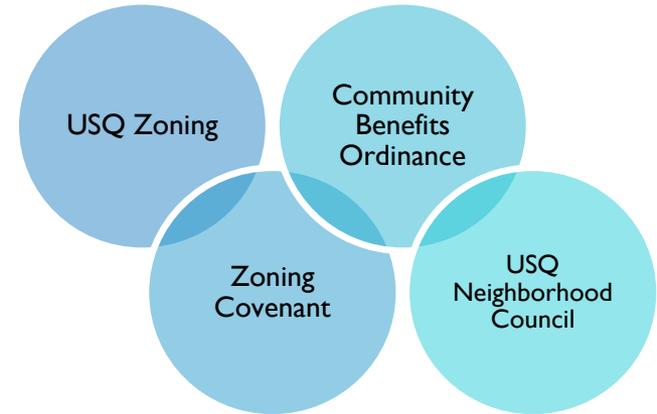


# Community Benefits Update

## Union Square Zoning

### Community Benefits elements

- 20% Affordable Housing
- Jobs Linkage (pending)
- % Open Space Requirement
- % High Quality Open Space
- 60%/40% Commercial Residential Split
- 5% Arts & Creative Uses
- Improving and increasing mobility options / Transportation Management Association Requirement (TMA)



### Multiple avenues for community input

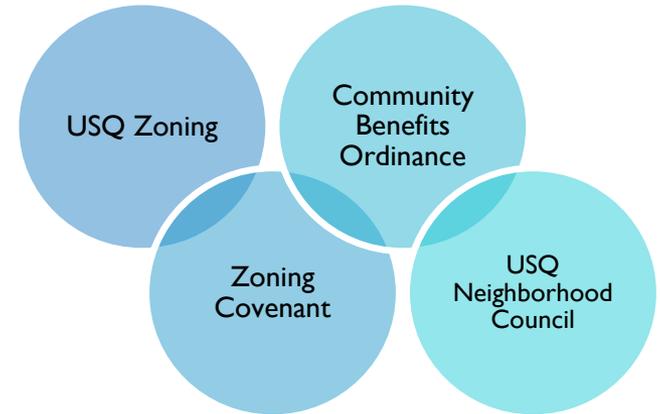
- Coordinated Development Special Permit
- Site plan approval for individual lots
- Design Review Committee
- Conditions on phasing of multi-parcel development
- Required neighborhood meetings



# Community Benefits Update

## Zoning Covenant

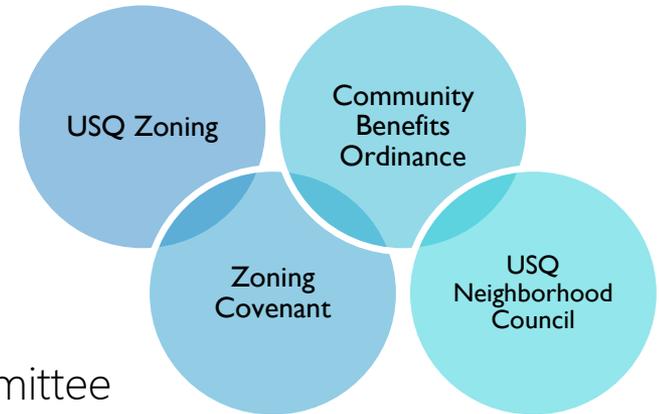
- Legal agreement between City and US2
  - To be presented prior to zoning vote
- Community Benefits elements
  - Developer contribution towards GLX
  - Developer contribution towards off-site infrastructure
  - Developer contribution towards **Community Benefits**
  - Require US2 to meet with community (neighborhood council) to negotiate a CBA



# Community Benefits Update

## Community Benefits Ordinance

- Outlines mechanism for developer
- Establishes Community Benefits Funds(s)
- CPA-like framework
  - Establishes City-wide Community Benefits Committee
  - Establishes Community Benefits Fund
  - Requires development of needs analysis as the basis for setting funding priorities
  - Minimum of 60% of funds to address needs in development/impact area (could be more)
  - Funds potentially available to address city-wide needs
  - Process for recognizing neighborhood councils

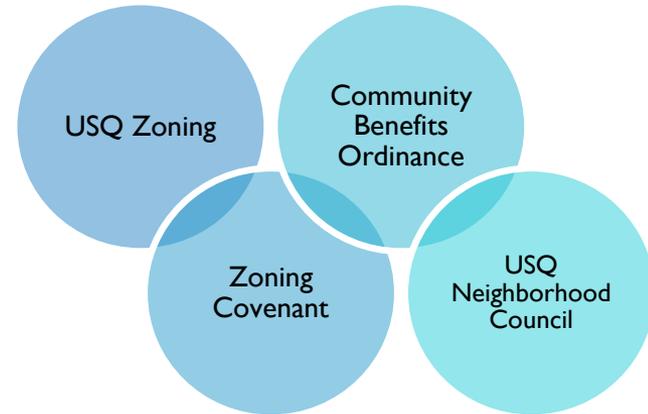


# Community Benefits Update

## USQ Neighborhood Council

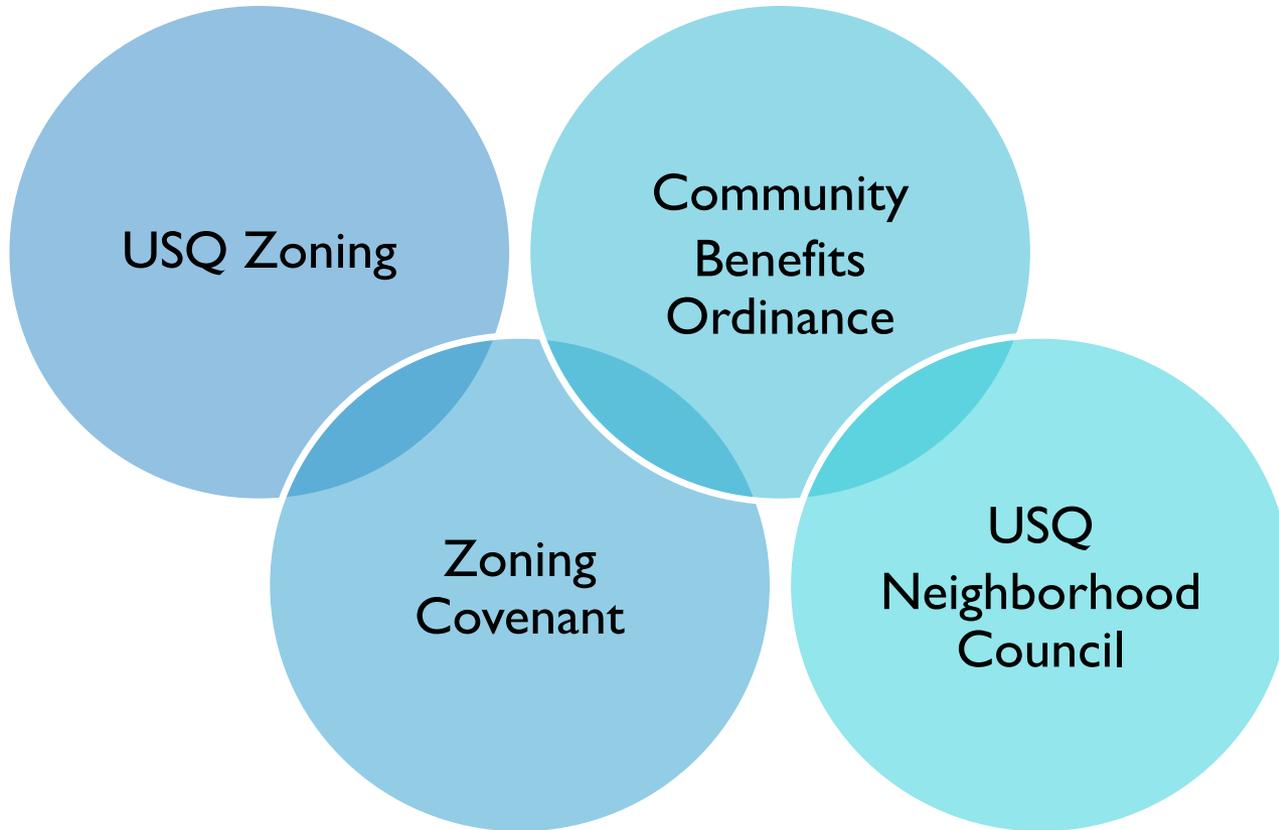
(under development)

- Outgrowth of LOCUS Place Management Organization Subcommittee
- Neighborhood-focused organization
- Inclusive, democratic, wide-reaching constituency
- Roles might include:
  - Negotiate CBA(s) with developers
  - Review and comment on development proposals
  - Recommend Community Benefits funded projects and allocations
  - Implement programs to address community benefits



# Community Benefits Update

## Emerging Framework Elements:





# City of Somerville Zoning Amendment

## 4. Financing Infrastructure

# Financing Infrastructure

- MassWorks grant (\$13M)
- Sale of Property assets
- Water & Sewer Enterprise and Stabilization Funds for utility
  - Favorable borrowing terms through DIF
- GO bonds for streetscape
  - Favorable borrowing terms & captured tax increment to retire bond through DIF
- Developer contributions
- I-Cubed

# District Improvement Financing (DIF)

- Economic Development tool used across the U.S.
  - Used in 49 states
  - Existed in California & Illinois since 1970's
- Authorized under 2003 Mass. General Laws c.40Q
- Approved DIFs in Commonwealth: Quincy; Worcester; Brockton; Springfield; Taunton
- Other New England DIFs: Hartford CT; Peterborough, NH

DIF is a commitment that **net growth** in property taxes within a defined boundary over a defined period will be reinvested to meet needs within that boundary.

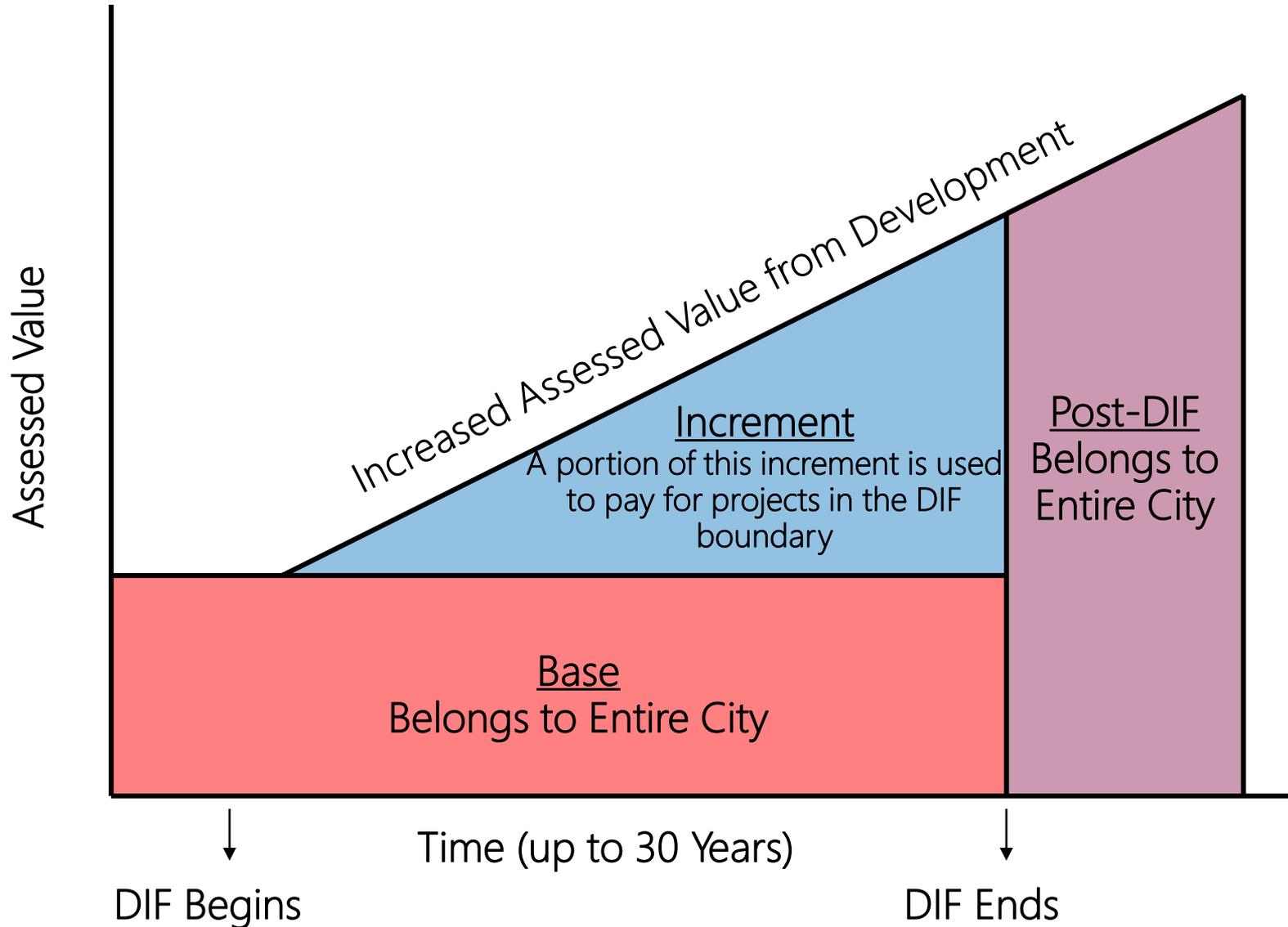
# DIF Basics

- 30 Year DIF period
- Can be used for public infrastructure, transportation, open space, programming, and land development projects, etc.
- No change to taxpayer billing
- Funds can be passed back to General Fund
- Two components
  - Boundary
  - Financial Plan

# Financing Infrastructure

- DIF General Obligation (G.O.) Bond is more flexible than traditional G.O. Bond. (i.e. can be structured to match revenue stream)
- Key benefit: favorable borrowing terms
  - Short-term borrowing for up to 5 years, compared to 2 without DIF
  - Align debt service payments with revenue increases
- Additional benefit: use captured tax increment generated by infrastructure investment to retire bonds

# How does DIF work?



# Financing Infrastructure

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Questions?



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