Article 2.
Acquiring the North 40

Special Town Meeting

January 20, 2015

Special Town Meeting

- STM being asked to approve purchase of North 40 and funding of purchase
- All in cost, $35.7 million
- Funding will use CPA funds and new borrowing
  - Median Tax Impact - $141/year for 30 years
- STM not being asked to determine uses of the property
- After closing on property in late May, Selectmen to lead planning process for uses of property
- Selectmen believe that it is vital to purchase the North 40 to continue existing Town use of property, allow room for many Town objectives, and give the Town control over development

Timing and Conditions

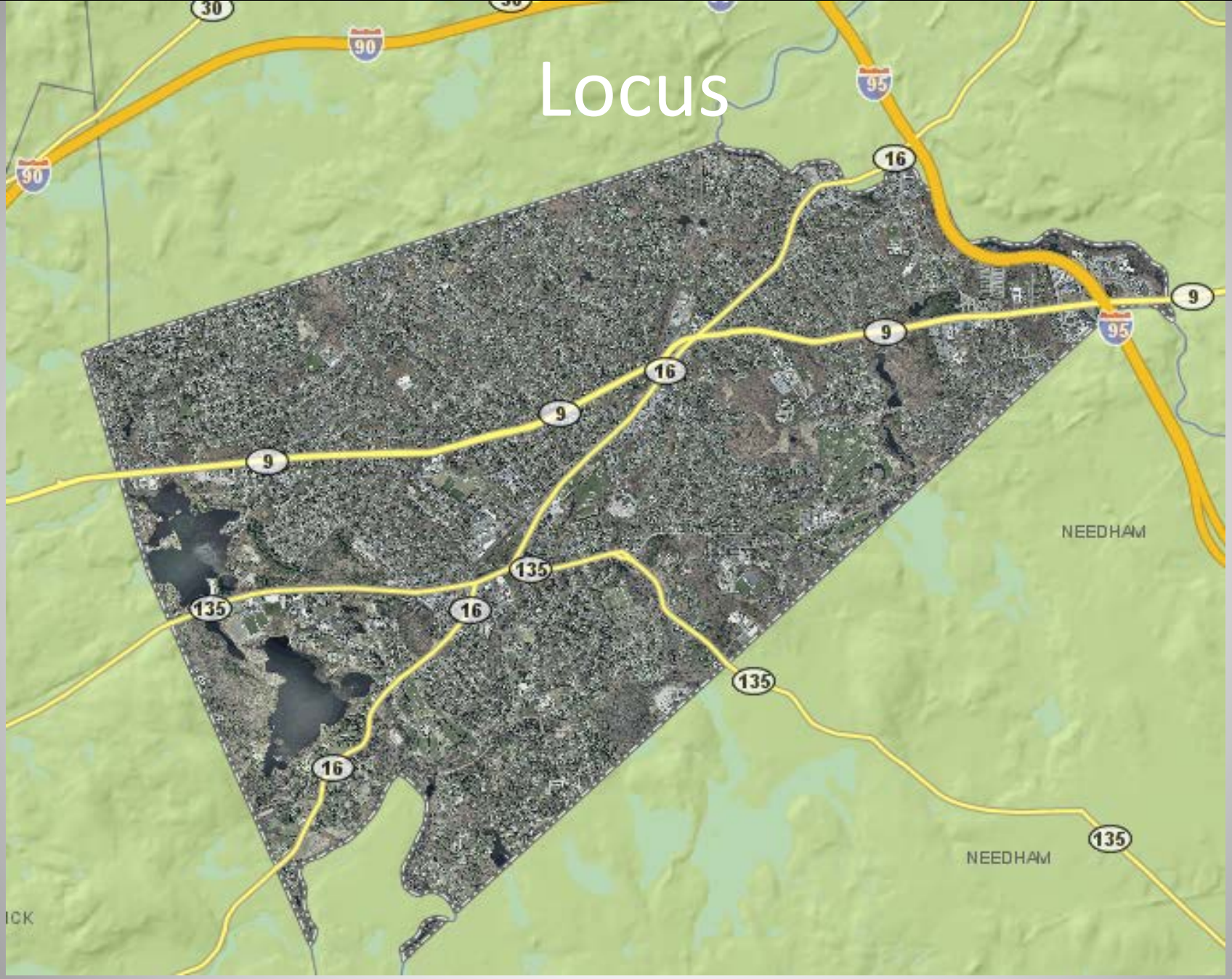
- Closing subject to:
  - Town Meeting approval
  - Approval of Debt Exclusion in Town-wide election
  - Satisfactory completion of due diligence
- If all occur, Closing in late May

GREETINGS from
The North 40!
Enjoy our...
Flourishing gardens!
Capped landfill!
Peaceful trails!
and MORE!!!
Community Garden
Cochituate Aqueduct

AGENDA

- Site Overview
- Chronology of Events
- Alternative Development
- Key Terms of P&S
- Finances
- Options
- Benefits
- Timeline

Locus



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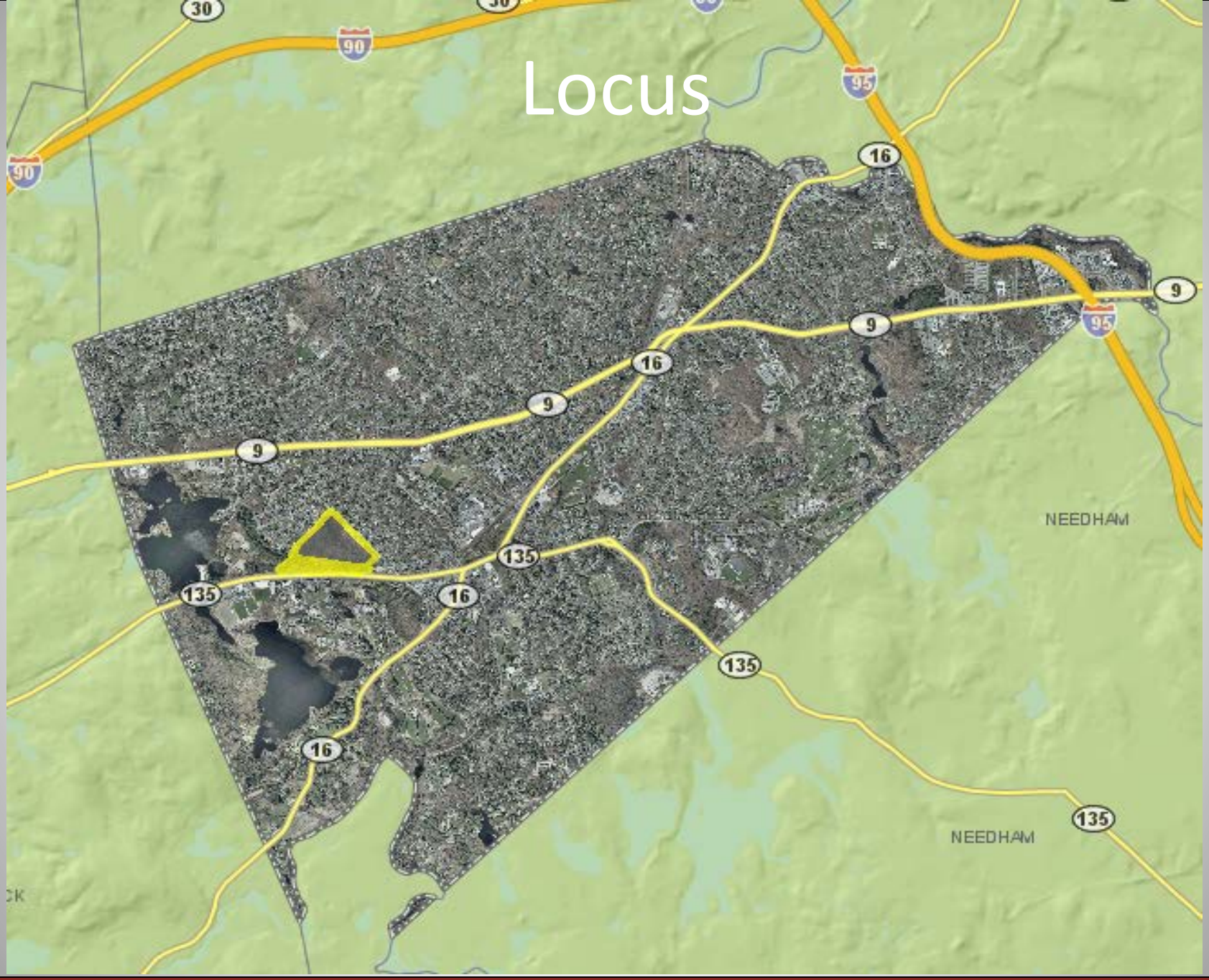
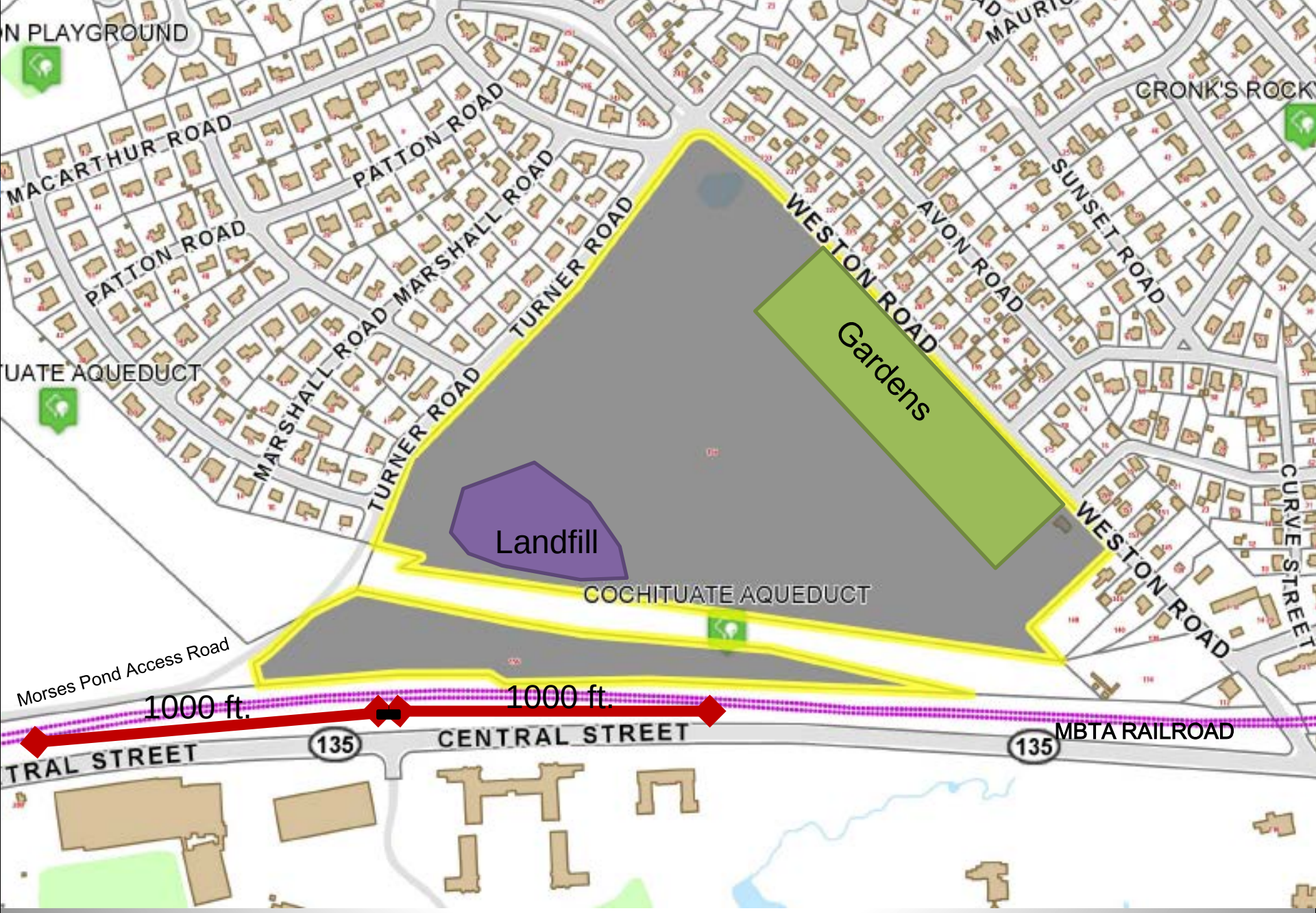



N PLAYGROUND
MACARTHUR ROAD
PATTON ROAD
PATTON ROAD
MARSHALL ROAD
MARSHALL ROAD
TURNER ROAD
TURNER ROAD
UATE AQUEDUCT
WESTON ROAD
AVON ROAD
SUNSET ROAD
CRONK'S ROCK
Gardens
Landfill
COCHITUATE AQUEDUCT
WESTON ROAD
CURVE STREET
Morses Pond Access Road
1000 ft.
1000 ft.
TRAL STREET
135
CENTRAL STREET
135
MBTA RAILROAD

Site History

- Site was largely formed by land acquired through transactions in the 1860s and donated by Henry Durant to the College
- 1946 a portion of Wellesley College land and B&A Railroad land was acquired to construct the “Woodlands” neighborhood
- Has been used as open space, trails and community gardens by Town residents for many years
- 1955-1960 Town leased 22 acres for a sanitary land fill
- 2014 College petitioned and received approval from Supreme Judicial Court to sell the land
- Selectmen appointed North 40 Committee
  - Committee unanimously recommended purchase by the Town
- December 18, 2014 College and Town sign Purchase and Sale Agreement

Negotiations

- College requested and received initial proposals in early October
- Highly competitive process with many bidders
- December 17, 2014– College Trustees unanimously approved the sale of the property to the Town
- Dec 18, 2014 – College and Selectmen sign Purchase & Sale Agreement
  - Contingent on TM approval, approval of debt exclusion, and satisfaction with due diligence results

North 40 - Zoning

- Zoned Single Family Residential with 15,000 square foot lot requirements.
- Subject to Natural Resource Protection Zoning
  - 50% open space
- One-Family Dwellings, Religious, Non-profit and Educational uses allowed by-right.
- Municipal uses allowed with Special Permit

Alternative Scenarios

- Under conventional subdivision development, 75-95 Single-Family Dwellings could be constructed
- Under 40B development – up to 300 units could be developed
- Religious and Educational Uses
- Continuing Care Retirement Community (CCRC)

Third Party Development Tax Impact

New Units	Number of Students	Incremental Operating Cost to Schools*	Classroom Needs	DPW Costs*	Estimated Tax Revenue	+/- Impact
75	36 Elementary 11 Middle 12 High School 59 Total	$1.01M	1. Potential Redistricting 2. Potential Addition	$213K	$900K-$1.5M	Neutral
300	129 Elementary 50 Middle 61 High School 240 Total	$4.1M	New School	$440K	$1.2M	-$3.3 million
300 Age Restricted	•0 Students generated from project • Home sales from residents moving to project = 1 student/ house	•$0 Direct Cost •$17,000/ Student from home sales associated with move to project	Unknown	$240	$1.2M	+$660K

* Does not take into account additional costs associated with benefits, facilities maintenance, or capital budget requests.

CCRC Scenario

- If Continuing Care Retirement Community

Pros	Cons
• Tax Revenue – 400K prior to construction – Anticipate $1M after construction	• No Town control • Town must negotiate for open space and access • Not having land to meet other Town objectives

P&S - Financial Terms

- Purchase price of $35,000,000
- Town to reimburse College for property taxes from and after July 1, 2014
  - FY15 Property Taxes = $346,532
- Town to incur expenses for due diligence
- Total Appropriation of $35.7 million

P&S - Land Use Provisions

- Open space
  - 50% of property to be kept as open space (includes recreation fields)
- Southern 6 acres not to be developed
- No connection to Rt. 135 within 1000 feet of College Entrance
- College to have 2 representatives on North 40 planning committee

P&S - Environmental Issues Landfill

- Town to be solely responsible for landfill
  - Recognition that Town was source of waste
  - Town will be able to deal solely with DEP with respect to remediation

P&S - Environmental Issues
Remainder of Site

- Town to conduct environmental due diligence and be satisfied with results prior to closing
- Phase I work underway
- After closing Town to be responsible for environmental issues on site (with exceptions)
- College shall not make any claims against the Town for any hazardous materials currently on or under the site
- College currently removing asphalt condition on southern 6 acres

P&S - Existing Uses

- Community Gardens to be maintained for at least 3 years
- College to lease back existing home for up to five years

P&S - Sustainability

- Any future buildings on property to be LEED Gold certifiable
  - Based on present LEED standards and subject to other issues consistent with College's own guidelines
- Lighting to comply with Dark Skies guidelines
  - Additional work to define standards

Financial Background

- M&G appraisal on a by-right basis (single family use): $24.5m
- Appraised value for other development scenarios (40B, CCRC, etc.): Various higher values
- Current assessed value: $29,681,000
- Negotiated price reflects 18% premium above assessed value

Costs of Acquisition

	Cost
Purchase price	$ 35,000,000
FY15 Property taxes	346,532
Due diligence	
Environmental Partners	98,510
DPW	10,000
Corrective Action Alternatives Analysis	20,000
Contingency (25%)	32,128
Legal	
Town Counsel	35,150
Environmental Counsel	73,500
Carryforward from Initial Diligence	21,111
Total purchase price	$ 35,636,931

	Funding
Amounts to be borrowed	35,140,399
Funds previously appropriated at October 2014 Special Town Meeting	150,000
Total appropriation	35,290,399
Taxes to be refunded	346,532
Total funding	$ 35,636,931

Funds Spent to Date

Initial Diligence and Visioning

	Costs to-date	ETC	Total	Available Funds	Surplus/ (Deficit)
Appraisal	$ 16,500		$ 16,500		
Environmental Partners	16,248	4,500	20,748		
Ecotec	2,200		2,200		
Dodson & Flinker	25,000		25,000		
Beta	16,752		16,752		
Legal through October	18,761		18,761		
Legal - November, December		51,150	51,150		
Reserve Fund contribution			-	75,000	
Selectmen contribution			-	30,000	
CPC contribution			-	25,000	
	$ 95,461	$ 55,650	$ 151,111	$ 130,000	$ (21,111)

Financing Plan

- Fund acquisition through a General Obligation borrowing by the Town with 3 pieces:

Debt Service Funding Source	Restrictions
Yearly CPA surcharges	Limited to a qualifying use, i.e., open space, recreation, historic preservation, affordable housing
General Fund - tax-exempt	Municipal purposes
General Fund – taxable	Municipal and private purposes

Cost allocation and debt service

	Cost Allocation	Acres*	Interest Rate	Projected Annual Debt Service	Median Tax Bill Impact
CPA portion	$ 10,000,000	13.12	4.00%	$ 580,000	N/A
General Fund portion					
Tax-exempt	13,636,931	17.89	4.00%	750,000	69
Taxable	12,000,000	15.75	5.00%	780,000	72
	25,636,931	33.64		1,530,000	141
Total property	$ 35,636,931	46.76		$ 2,110,000	$ 141

** Reflecting simple allocation based on financial contribution.*

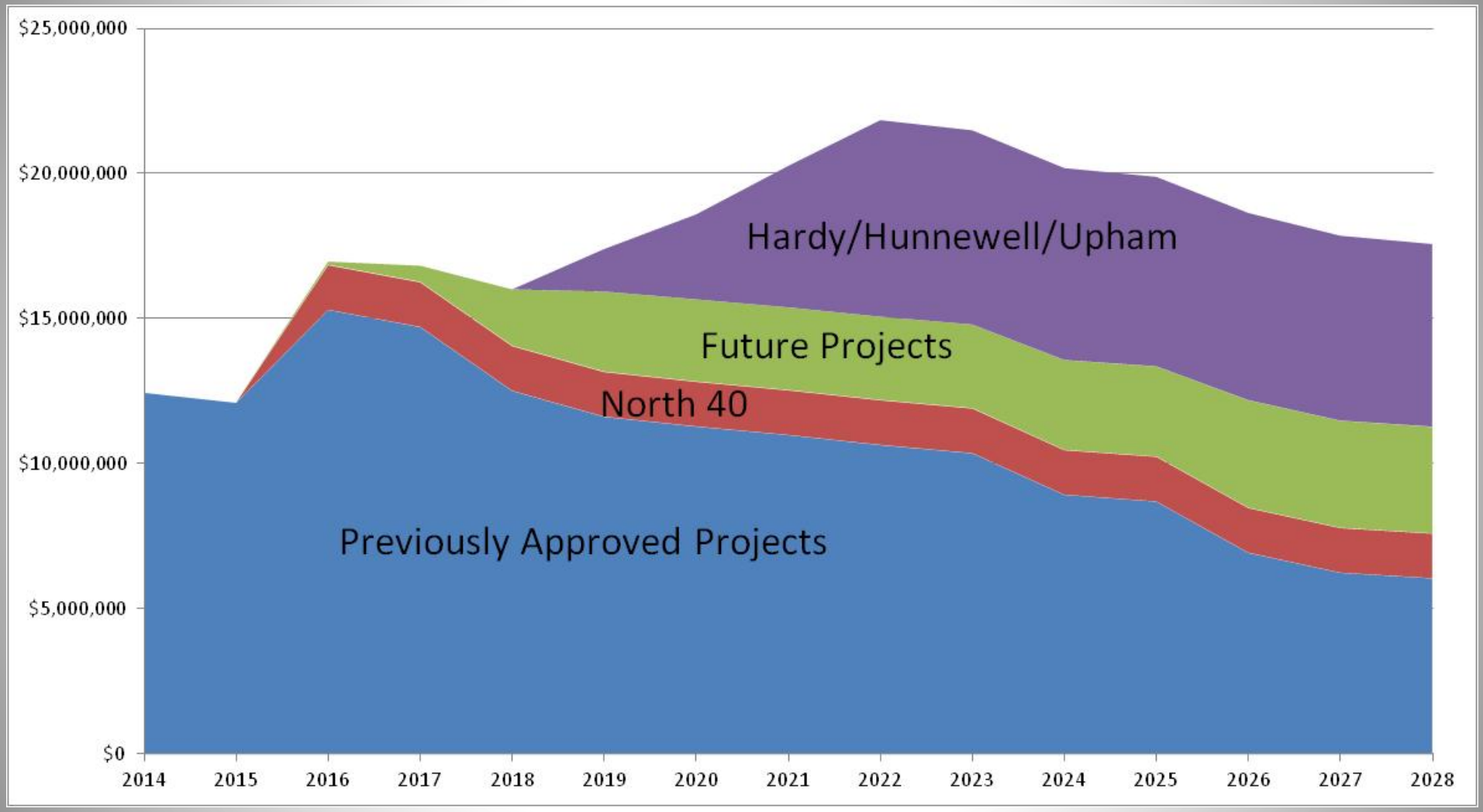
Tax bill impact

			Peak Impact		
	Term (Yrs.)	Year	Debt Service	Median Tax Bill	Tax Rate
Hardy/Hunnewell/Upham	20/25	FY22	$ 6,769,000	$ 626	$ 0.65
High School ***(FY15 impacts)***	20/25	FY12	5,481,000	507	0.53
Schofield/Fiske	20	FY17	1,910,017	177	0.18
North 40	***30***	***N/A***	***1,530,000***	***141***	***0.15***
Middle School windows	15	FY16	695,672	64	0.07
Tolles-Parsons Center	25	FY17	551,280	51	0.05
Middle School infrastructure	20	FY19	629,000	58	0.06
900 Worcester	30	N/A	332,500	31	0.03

Median Tax Bill

	FY15	FY16	FY17	FY18	FY19
Prior year	$ 10,340	$ 11,098	$ 11,674	$ 12,000	$ 12,236
Levy growth	259	277	292	300	306
Override	309	-	-	-	-
Schofield/Fiske		137	40	(4)	(4)
Middle School windows		64	(3)	(2)	(2)
North 40		141			
Tolles-Parsons Center		10	41	(1)	(1)
Hardy/Hunnewell/Upham					135
Middle School infrastructure					58
Other debt exclusions	(21)	2	(45)	(57)	(58)
OPEB exclusion		(55)			
Other	211				
Current year	$ 11,098	$ 11,674	$ 12,000	$ 12,236	$ 12,670
% Increase	*7.3%*	*5.2%*	*2.8%*	*2.0%*	*3.5%*

Projected Debt Service



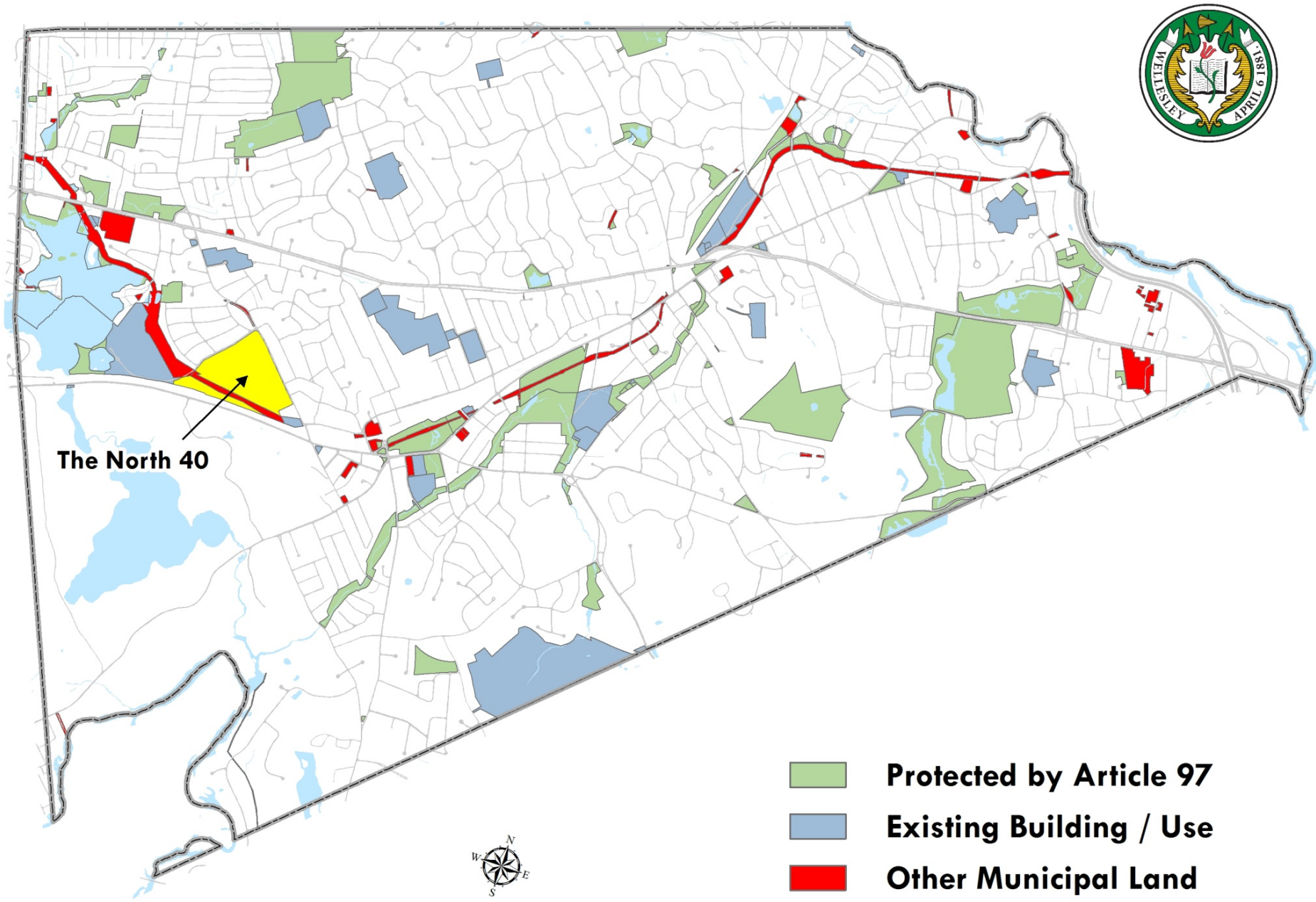
Optionality

Uses

- Open Space
  - Trails, Parks, Recreation Fields
- 2-3 Elementary Schools
- 3+ Recreation Fields
- Rink
- Pool
- Lighted Fields
- Housing
- Community Center
- Community Gardens
- Indoor Recreation Courts
- Land Bank
- Solar Farm

Sources

- Hardy, Hunnewell, Upham
- 900 Worcester Street
- North 40


The North 40
Protected by Article 97
Existing Building / Use
Other Municipal Land

Benefits of Town's acquisition

- Preserves significant open space
  - Maintains existing "de facto" Town asset
- Provides Town with additional options to meet present and future needs
- Town gains control over future development and use
- Town gains control over landfill liability
- Strengthens neighbor and community voices in use of the land

After STM

- Debt Exclusion Vote on March 3
- Due Diligence Period continues to April 30
- Closing on sale in in May
- Selectmen to review town-wide planning process with other Town Boards
- Anticipate new committee to be established after initial efforts led by Selectmen

Article 2

- The Selectmen request your favorable action on this motion.

Greetings
from the
North 40

Extra Slides

North 40 Dimensions

- Total land area: 46 acres
- Split by Cochituate Aqueduct (Town Owned)
  - Northern tract approx. 40 acres
  - Southern tract approx. 6 acres
- Location delineated by:
  - Weston Road to the east
  - Turner Road and Morses Pond Access Road to the north
  - Railroad to the south
- Contiguous to Morses Pond/Town Land to the west.

Simons Estate: An historical analogy for the North 40

- **1920:** Death of Almira Simons, widow of Stephen B. Simons
- **1924:** Town of Wellesley purchases 13 ⅛ acre estate for $90,000
- **1920s thru 1950s:** Near constant debate by Town over how best to use land

- <u>Actions taken by Town post-1924:</u>

  2 years after purchase (1926): Cameron Street parking lot created

  14 years after purchase (1938): Hunnewell Elementary School constructed

  35 years after purchase (1959): Wellesley Free Library constructed

  Remaining portion of land became Simons Park

Simons Estate: An historical analogy for the North 40

- Town purchased 13 ⅛ acre parcel in 1924
- Bounded by:
  - Washington Street
  - Cameron Street
  - Brook Street
  - Fuller Brook Park

Traffic Counts

- Weston Road has 14,816 Vehicle Trips per day
- Weston/Central has 2300 vehicles through the intersection during the morning peak hour commute, capacity of 1800 cars
- Weston/Linden has over 1,500 trips through the intersection during the morning peak hour and is at capacity.
- Curve Street has 525 Vehicle Trips Per Day, indicating significant cut through traffic

NORTH 40
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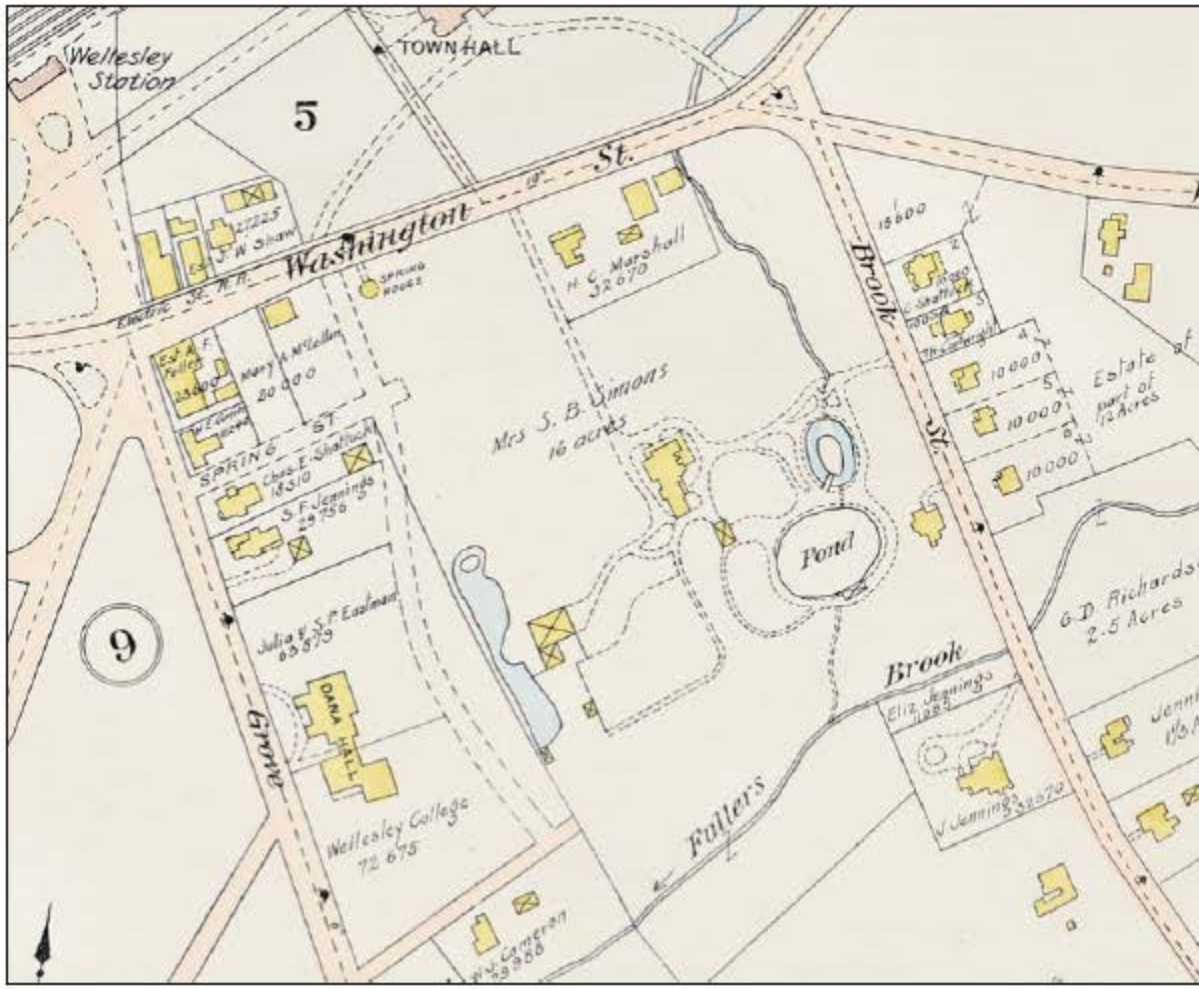
Simons Estate: An historical analogy for the North 40

Source: Five Pounds Currency, Three Pounds of Corn (1981)



- Estate of prominent clothier Stephen B. Simons, and his wife, Almira

North 40 - Development Potential

- Under conventional subdivision development, 75-95 Single-Family Dwellings could be constructed.
- Under 40B development – up to 300 units could be developed before becoming a “large project”
- Any development would be subject to permitting
  - Subdivision Control or Project Approval including Project of Significant Impact and Site Plan Review.
  - Permitting includes municipal systems impact analysis and comprehensive traffic analysis and mitigation

North 40 Committee Recommendation

The North 40 Steering Committee unanimously recommended that the Town purchase the North 40:

1. North 40 has historically been utilized as a town asset for a range of open space related activities;
2. North 40 could accommodate numerous different identified needs and uses;
3. Third party development could have severe impact on traffic and elementary school population; and
4. Acquisition would give the Town control over the timing and nature of development of the North 40.

Committee Activities

- Between May 27 and Oct 14:
  - 20 Meetings
  - 6 Public Workshops
  - Visioning Reports and Development assessments
  - Traffic Analysis
  - Environmental Reports
- Committee unanimously recommends acquisition of the North 40 for municipal purposes.
- Committee recommends a comprehensive master plan of town-wide assets and site development be conducted.

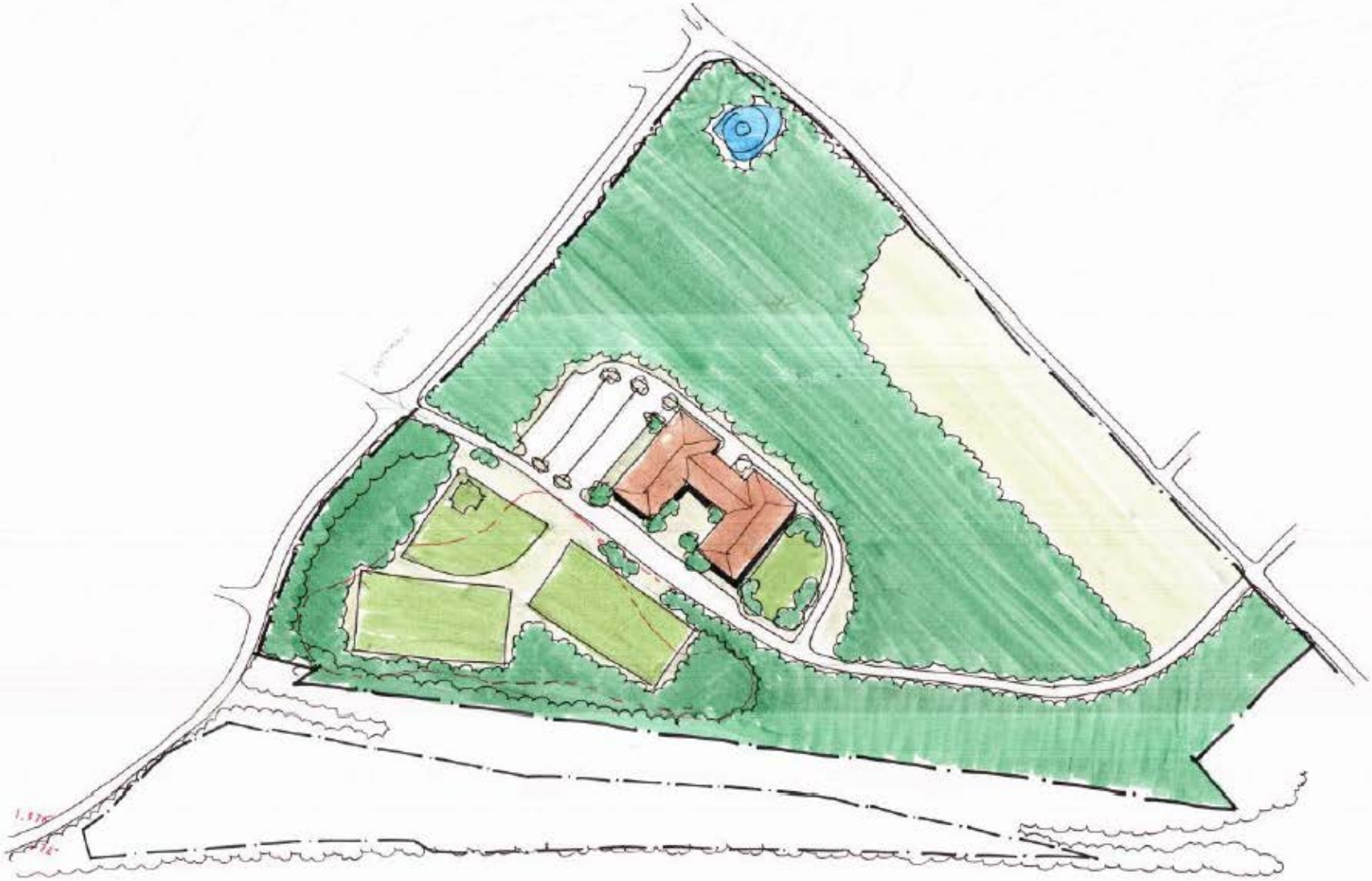
Identified Needs

- Open Space
  - Wellesley has the lowest percentage of protected open space (i.e., not privately owned and susceptible to development) compared to Natick, Needham, and Newton, with only 40% of our open space deemed as permanently protected open space.
- Recreation
  - Participation in Town sports is on the rise
  - After school recreation programs have to be limited or eliminated due to lack of field availability.
  - Installation of 3 rectangular fields would help to alleviate the problem
  - Additional basketball court space would allow greater participation in the program

Identified Needs

- Housing
  - Town currently has 6.16% of required 10% affordable housing.
  - Town acquisition could support the limited development of a mix of both market rate and affordable housing on a portion of the site in a “Cluster” development.
- School
  - School Committee continues to evaluate Hardy, Hunnewell, and Upham Schools which **are at capacity.**
  - N40 allows for new construction with an optimal building layout and site circulation on an open site, rather than logistics of building on an in-use site.
  - Concerns of N40 school include traffic on Weston Road, non-central location, potential landfill restrictions.

CPC Allocation Example



School, Playfields and Parking with Access from Turner and Weston Roads

School, Playfields and Parking with Access from Turner and Weston Roads

Third Party Development

- Housing
  - Conventional Developer Acquisition – Town would work to ensure 20% of the units are affordable under Inclusionary Zoning
  - 40B Developer Acquisition – Town would work with 40B developer to determine best suitable housing options.
- Traffic
  - Weston Road has approximately 15,500 Average Daily Trips
  - Major Weston Road intersections are designed to accommodate 1800 trips/peak hour; operating beyond capacity with 2,300 trips/peak hour
  - Beta investigated how to improve flow and capacity and presented the following possibilities:
    - Intersection widening
    - Creating new signalized intersections at Curve or Linden
    - Constructing a bridge over MBTA tracks to Route 135
  - No easy solution, traffic will be a significant challenge for any development

Third Party Development Impacts

- The Town's water, sewer, storm water, and electric infrastructure is anticipated to be able to accommodate capacity needed for the development of 75-300 units.
- Town or Private developer would pay cost of any upgrades needed under PSI and permitting.
- Potential maintenance and operating costs for various uses are below. The costs would be additive for multiple uses.

Scenario	Tax Impact	W/S Impact	Additional FTE	Additional PTE
Conservation	$14,000	$0	0	0
Passive Recreation	$187,000	$1,000	0	0
Active Recreation	$222,000	$5,000	1	2
100 SF Units	$213,00	$7,000	0	0
300 MF Units	$240,000	$7,000	0	0
School	$200,000	$5,000	.5	1

Estimated Tax Revenue

- Estimated tax revenue for 75-95 new $1M- $2M homes is $900,000-$1,500,000
- Estimated tax revenue for 300 unit 40B is $1M – $1.2M
  - Hastings Village- 52 Units =$14,322,000
  - 6x Hastings Village = $85,932,000
  - Taxes = $991,655
  - Waterstone– 134 Units = $44,442,000
  - 2.25x Waterstone = $99,994,500
  - Taxes = $1,153,936

1/20/15 STM Article 2

Board of Selectmen