

**River's Edge Additional Q&A**  
Economic Development Committee

4/04/13

As we've been getting closer to Town Meeting, some further questions have been asked about River's Edge. Questions are answered in the following order:

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- 8 Should we ground lease the site instead of sell it? **No.**
- 9 Should we demolish the Septage Facility now before we convey the property? Are there funds available to do so? **No.**
- 9 Have you stayed within the budget which was entrusted to you at last year's town meeting? **Yes.**
- 9 Will the River's Edge apartments ever become like "The Projects" i.e. like urban affordable housing? **No.**

**QUESTIONS:**

**Will River's Edge really bring tax relief to Wayland?**

**Yes.** By creating new revenues, it will reduce the amount of revenue needed from each and every one of us. Revenues are based on market study and a professional town financial impact study. We are eying it as critical citizens, just as you would. River's Edge is estimated to bring in \$5-6 million in land sale proceeds, and when completed, net new revenues of \$500,000 per year, every year. The new revenues, in land value plus new tax revenues which could cover a financing bond, has the potential to completely cover the cost of a new DPW, for example – all without a dime out of any citizen's pocket. Whether offsetting regular town budgets or funding new capital projects, this is real tax relief for Town of Wayland residents.

**Why is EDC urging us to solve the entire Chapter 40B problem here, on this one site?**

**If not here, where else will it go?** Any units not sited here will eventually go elsewhere – and not by our own choosing. It will affect traffic, open space, town services (esp education costs), semi-rural character. See our column "Preserving a Semi-Rural Town with 10% Affordable Housing: How We Can Do It – and Why We Should" for all the compelling data as to why we should solve 40B.

**Will River's Edge solve 40B forever?**

**Today, Yes. Forever, No.** As Wayland grows, our affordable housing stock must grow too. Our 40B issue will be solved for 2010 census data, which lasts for 10 years until 2020 (assuming all currently permitted projects, like Katie Barton, remain permitted and/or are constructed). Looking to the future, with current zoning, any new project with six or more units must provide 16.7% affordable housing. With this multiplier, and by continuing smaller new affordable housing projects such as Habitat for Humanity and the Nike site, we should be able to stay ahead of our 10% requirement for all new housing in Wayland. River's Edge will be the step that will allow us once and for all to be able to catch up -- and with discipline, we can stay caught up.

**What would costs be to the Town if the firing range moves?**

**Minimal.** According to Chief Irving, Wayland Police uses the firing range twice per year. The Chief has made tentative arrangements to utilize a range at Hanscomb Air Force Base, which is 10 miles away in Bedford (less than 20 minutes' drive time), if the Wayland firing range were to be discontinued. Transit costs would be minimal.

## **Will we have to park the buses outside of town, and if so, at what cost?**

**Not necessarily; if so, costs are manageable.** The buses have been temporarily parked at the Septage Facility since construction at the High School began, and have not moved back now that construction is complete. If the River's Edge project were to move forward, the buses could be either a) relocated back to the High School or other town sites, which would be cost neutral, or b) could be stored out of town by the bus company. The current bus contract expires June 2014, so any change can be negotiated in advance. If busses were desired to be stored off site, a site would likely be able to be located nearby on the Route 20 corridor, within 2-3 miles and extra fuel costs would be \$10,000 - \$30,000 per year (figures are very preliminary). Storing the vehicles in town, as they have always been, would be no cost to the taxpayer.

## **Are there any historical artifacts on the River's Edge site?**

**No**, the site has been cleared by Wayland Historical Commission. Early on, we reviewed and walked the site with Wayland Historical's archaeologist Tonya Largy. It was their determination that meaningful artifacts were located at the riverfront rise *after* the River's Edge site (where the slope is half-excavated, further back on the landfill access road), well beyond the site. Further, since the River's Edge site has been disturbed and excavated for decades, there were not likely to be any artifacts so Wayland Historical determined that the site was clear from their perspective if the site were to be redeveloped.

## **On the state website, it shows that Wayland is only at 3.6% affordable; EDC says 5.6%. Which is the correct number?**

**5.6%.** The state website is outdated and is incorrect. Sarkis Sarkisian, Wayland Town Planner, has submitted Wayland's numbers for the record (5.6%), but since the state has still not updated their website, he is in process of actually visiting DHCD in person to make sure that the correct numbers are on file with the Commonwealth, and more importantly, are reflected on the official website.

## **What are the methane readings at River's Edge -- are they as high as the DPW?**

**No.** Methane was tested at the River's Edge site early on, given that the site is adjacent to the Sudbury landfill. The Sudbury landfill has been capped for over 15 years. Three readings were taken, and two were very low, well below threshold levels. A third reading was just above the threshold level: 29% LEL vs reportable 25% LEL. These readings are much lower than were found at the DPW facility (>100% LEL readings were found in the area of the proposed access road only; readings were clean at the site of the DPW facility itself).

Any rational developer (and Wayland would require it as seller and/or as building inspector) who builds next to a capped landfill would install a "sub-slab depressurization system," which is similar to a radon system that you may have seen or heard of in a residential house. Methane is only a risk if it builds up under a building slab, and then leaks through concrete slab cracks in concentrated amounts. A sub-slab system is a series of inexpensive pipes under a building slab which then are vented to the roof, with a passive fan (a pinwheel fan) that circles in the wind and creates just enough negative pressure to pull any methane up and out, to be vented harmlessly above the building.

## **What happens if the DPW funding resolution does not pass – does this mean that River’s Edge cannot go forward?**

**No.** The DPW question should be separated into two issues: 1) Appropriate location and 2) Cost. Some Town residents are not in favor of the new DPW facility for either or both reasons, so these reasons should be looked at separately as to how they affect River’s Edge.

1) Appropriate location. If for any reason River Road is deemed *not* to be a suitable site for the new DPW, then it may have to be located on the River’s Edge site instead, so, thinking goes, Board of Public Works would not be able to release the River’s Edge site for redevelopment (BPW controls half of the site).

Last year at Town Meeting, River Road was approved as the new location for the DPW facility. To mitigate concerns of River Road neighbors, it was agreed that access would be via the landfill access road.

When the landfill access road was built 40 years ago, the Town agreed that the road would be temporary; when the landfill use was complete, thereafter, seeing no other use for it, the Board of Selectmen agreed to transfer the land to the Conservation Commission. However, fast forward 40 years later, although the landfill has closed, the transfer station remains, and for all intents and purposes, will likely stay there in perpetuity. So the question is, whether the landfill is “closed”, and the road is due to be given to Conservation Commission or not.

This vote is properly being put to the citizens at Town Meeting this year as to whether the transfer from Board of Selectmen to Con Comm should occur. If the Town agrees with Article 9, then the road will remain with the Board of Selectmen, and other riverfront wetlands would be granted to Con Comm in exchange.

Two other topics regarding appropriateness of location are methane and historic artifacts. Methane readings where the DPW facility itself is planned are minimal, no risk at all. However, a few “hot spots” (very hot, over 100% LEL, where a reportable level is 25% LEL) were found along where an access road is planned to be sited between the landfill and the DPW. Historic artifacts were found at roughly the same spot.

*Regardless of whether the DPW facility is built*, the high methane readings need to be remediated from the 100% LEL down to below 25% LEL, since this is a state DEP violation. So the question is whether the road can be built with such remediation, and the answer is yes. The further question is whether the historic artifacts can be removed, or if not, worked around, and one way or the other, and the answer again is yes.

So in sum, given an affirmative vote on the landfill access road issue, since the River Road location has been approved in the past to be the location of the new DPW, and it continues to be a suitable location for the DPW, then the BPW should be free to release the River’s Edge site.

2) Cost. The second issue is of cost of the DPW project. This is separate and aside from River’s Edge and the two are not entwined. If voters do not support a new DPW this year on a cost basis, then this does not mean that the River’s Edge site needs to be held back. The DPW facility could return to town meeting with the same scope or different scope next year for another vote. If anything, DPW should release River’s Edge in order to create revenues to help offset or completely mitigate the cost of the DPW facility for review for voters in future years.

## **Will River's Edge adversely affect views from the Sudbury River?**

**No.** River's Edge has no abutters (except for the Sudbury Transfer Station). It is surrounded by woods, wetlands, and open space. Our sole true "abutter" is a kayaker or canoeist on Sudbury River. Will those people be able to see the project from the Sudbury River? We have been reviewing this carefully, and consulting with the Sudbury River Stewardship Council. We have done view analyses of sensitive view corridors around the River's Edge site, and it has been particularly helpful to study it in the wintertime, which is "worst case" with all leaf foliage off.

All in all, views of the site and future buildings are limited. The river basin is almost ½ mile wide along this stretch of Route 20. On the east side of the landfill access road, there is a heavy band of trees next to the river basin. These trees range from 40-45' at the entry of the landfill access road, up to 60' and then up to 80-90' nearer the north limit of the River's Edge site. Many are evergreen.

Based on this treeline, it is unlikely that a kayaker would see River's Edge from the River in the full foliage summertime. It may be minimally visible behind the trees in the wintertime, and for these conditions several of our zoning and design guidelines will help: maximum height is 45' at the Rt 20 side of the site, which is where trees are lowest; roof and façade materials are recommended to be of earthtone colors, which will help blend in with the natural environment; and a row of high-canopy species of trees are recommended to be planted on the River's Edge side of the landfill access road, so that they grow into a "Wayland type" tree-lined road over time. This additional row of trees will add yet another layer of coverage.

Long views from Route 27 will be fully blocked by tree cover to the north. Views from Pelham Island Road bridge are blocked by tree cover. Houses on the end of Jeffrey Road face away from the site, either north or west (probably since when the houses were built they didn't want to see the original landfill across the way), so no house looks directly at River's Edge. The only place to potentially catch a glimpse is at the very end of a ¼ to ½ mile walking path which starts at Heard Pond; from this location, the roof line may be visible ½ mile away. Overall, there appear no views significantly affected by River's Edge.

## **Is it legal to locate apartments so close to a cell tower?**

**Yes.** Per Wayland Board of Health, no new cell tower can be located within 900 feet of another structure. However, the existing cell tower is on Sudbury's property, and River's Edge is coming in after the fact, so Wayland BOH rules for new cell towers do not apply. It should be noted that cell towers are often hung on residential buildings along highways and other major thoroughfares, so not everyone has as heightened a sensitivity to the proximity of cell towers as Wayland does. If a resident were concerned about the proximity, they could elect to live on the opposite side of the site, the buildings closest to the River, which are about 600-800 feet away from the cell tower.

## **Will we see plans before the developer is selected?**

**Yes.** Bidders will be required to provide site plans, floor plans and elevations for compliance with the zoning and design guidelines as part of their bid.

## **Is the town obligated to sell if only unsuitable bids are received?**

**No.** The Town is under no obligation to sell.

**If we only get suitable qualified bids for age-restricted housing at less than the two-thirds, can the Board of Selectmen still sell the land?**

**No.** The goal is for 75% of the units to be age-restricted. Two-thirds is the minimum as set in the zoning, to provide a little wiggle room, but not much. In order for any proposal which is less than two-thirds age-restricted units to be accepted, the zoning would need to be changed by Town Meeting vote before any conveyance could happen.

**What is the minimum number of apartments for the project to be marketable/feasible?**

**150-160.** For a professionally run rental project, the minimum number of units so that staffing is optimized is **150-160** units, so we need to aim for this number as a minimum. Further, large institutional lenders and investors are attracted by projects of **200** units or more. Therefore, River's Edge Wayland's 216 units meets both of these key criteria which will attract the best developers and investors – and solves 40B.

**If EDC's charter is to encourage development consistent with Wayland's semi-rural character, is it rational for us to be proposing three- and four-story buildings?**

**Yes.** Our primary goal is to help preserve Wayland's semi-rural character everywhere. River's Edge has no abutters, and is located along a busy state road, so we propose being a little more dense at this site, to help protect the rest of Wayland's quieter roads, views and neighborhoods.

Route 20 zoning east and west of River's Edge is currently three stories, or 40 to 45 feet. EDC has suggested four stories on the interior to the site (more than 100 feet from Route 20) in order to achieve the number of units to solve Chapter 40B, but also, importantly:

- To have enough residents on site to create a vibrant community;
- To make better amenities financially feasible (even simply elevators, which are not typically built in three-story apartment buildings)
- To allow more open space (a little more height means a lot less girth)
- To make the project financially and operationally solid for long-term viability
- And in turn to keep the market-rate rents within financial reach of those who need them, which is important as a housing option for Wayland retirees.

If visual effects can be mitigated, then true "smart growth" is to allow four stories to improve the viability of the project, maximize open space, and to solve Chapter 40B for the rest of town.

**Does the density and height have precedent in Wayland? Is the design being tailored to fit the scale of Wayland?**

**Yes.** There is precedent for three- to four-story buildings in Wayland – Traditions on Route 27 has three to four stories, with 100 units – and this was sited amidst single family homes and neighborhoods nearby. River's Edge has no abutters.

It is important to note that River's Edge is not readily visible except from Route 20. Significant tree cover lines the Sudbury River edge to the east, full woods and wetlands abut on the north, and the topography of the Sudbury capped-landfill abuts on the west.

Design guidelines specifically call for earth-tone materials to help the buildings blend into the natural surroundings, for articulated roofs and facades to help offset the scale of the facades, and other design techniques to help soften the scale to “fit” with Wayland.

### **Would the impact of reducing the project by 25% be significant?**

**Yes.** If the project were to have just three stories instead of four, for example, we would lose 25 percent of the project and still be short 60 affordable units. Chapter 40B developers could then build 240 additional condominiums (equal to 15 “Post Road Villages”) scattered around Wayland.

Traffic and schoolchildren impacts for these last 60 units would be many multiples of those at River’s Edge – we lose control versus keep control. We lose any ability to have an age restriction, whereas our goal at River’s Edge is to have 75 percent of the units be 55-plus. Two to three schoolchildren projected at River’s Edge can become 130 schoolchildren elsewhere. In addition, 85 cars at River’s Edge become 480 elsewhere. Woods and open spaces will be lost forever, where none additional would be lost at River’s Edge.

By scattering and multiplying the effects, instead of managing them efficiently at River’s Edge, it will affect all of us, all of our neighborhoods. Simply, are the aesthetics of losing one floor worth that price to the rest of Wayland?

And of course the cost of eliminating, say, 60 units would be a direct hit to Wayland’s wallet. One quarter fewer units could mean \$1.5 to \$3 million lower land sale proceeds to the town, and \$175,000 to \$200,000 less per year in annual tax revenues in perpetuity (paired with higher town costs elsewhere, so net gain could become a net loss).

With good design guidelines, the aesthetic impact of a fourth floor will be minimal, and the benefits to the entire town, significant.

### **If you wanted to reduce density, would you reduce the number of units, or the number of floors?**

**Number of Units.** There are building efficiencies to building 4 stories - less foundation and roof, more shared structure. Elevators will be shared more efficiently (3 story apartment buildings typically don’t have elevators, but we’ll need them for our senior residents). With less infrastructure, more value can go into amenity spaces, creating a better community. Keeping the 4 stories maintains more open space. For many reasons, if the concern is the density of the project, lower the number of units, but keep the 4 stories for the benefit of feasibility of the entire project, particularly for senior housing.

### **If we are just 10, or 60, units below our 10%, can any project of any size come into Wayland?**

**Yes.** Technically if any community is under 10%, any size 40B project can come in. Andover recently found this out as they were slightly below their 10% threshold, and two 300+ unit 40B projects were filed. If we are 60 units short, it will not limit our exposure to 60 units to 240 units (if all are condominiums), per our calculations. In reality, it is unlimited how many units could be proposed until our 40B clock is shut off.

## **What are the rents for market-rate units?**

Per our market study, one bedroom units are projected to average \$2.50 psf/mo. So a 675 - 800 sf **one bedrooms would range from \$1690 - \$1900**. Two bedroom units are projected at \$2.20 psf/mo, so a 900 – 1000 sf **two bedroom would be \$1980 - \$2200** per month.

## **What are the rents for the affordable units?**

Per our market study, affordable rents for one- bedroom units are projected to average \$1.67 psf/mo so average 750 sf **one bedroom would be approx. \$1250/mo**. Two bedroom affordable rents are projected to average \$1.45 psf /mo, so an average 1000 sf **two bedroom would be \$1450/mo**.

## **Is there a proposed resolution of the Septage Facility Agreement with Sudbury?**

**Yes.** There is an agreement in principle from Sudbury for an early termination of the Septage Facility Agreement. An agreement has been drafted by Wayland and is currently being reviewed by Sudbury.

As background, the land under the Septage Facility is owned by the Town of Wayland. The improvements (building, tanks, equipment, leach field, parking lot etc.) and are built and managed jointly by both Wayland and Sudbury. The Facility was decommissioned in 2009; however, the Agreement between the two towns does not expire until 2017. At that time, the two towns were to salvage anything of value, and if Wayland declared the building a hazard, then the two towns would jointly share in demolition costs.

To pursue River's Edge before 2017, an early termination of the Septage Facility Agreement needs to be agreed upon. At Town Meeting in years past, a payout was proposed, however, it did not pass since there was not a known use for the property and the costs were heavily debated.

During the past year during study and due diligence of the site, negotiations were reestablished with Sudbury. Overall, Sudbury stubbornly held onto its earlier position that they should be paid \$130,000 for early termination of the agreement. Based on the agreement itself, arguably Wayland should not have been paying Sudbury anything – however, now, as in any negotiation, they have something we want, therefore they have leverage.

At the end of the day, revenues from River's Edge are in the neighborhood of \$700,000 per year (\$500,000 net), therefore the value of acceleration to the Town of Wayland for three years is worth about \$1.5 million, or over ten times their demand. Therefore, it is recommended to buy out Sudbury at this nominal number to allow the project to proceed.

This amount has been negotiated to only be paid if River's Edge goes forward and the land is sold. Therefore, *no obligation has been added to the Town of Wayland if the project does not go forward.*

Regarding demolition, the plan is to sell the River's Edge site as-is, and the private developer would demolish the facility, at a cost well below what we as joint municipalities would otherwise pay. So both towns benefit equally from this demolition arrangement.

## **Should we ground lease the site instead of sell it?**

**No.** Developers/lenders for the site would require at a minimum 99-year ground lease, and likely may not be willing to bid on a ground lease at all. Not owning the land means that the value of their asset starts

diminishing from day 1, so it is unusual and will make it that much more difficult to finance. It is not impossible – but definitely not typical and will affect the value realized by the Town.

From the town's perspective, it would potentially be good if the land comes back in 99 years for future generations – but the downside is it could come back with a cost, either now or later. If a developer fails to complete construction, then the Town would be stuck in the middle with a lender. At the end of the lease, a developer is not incented to keep up good maintenance on the building since they may lose it, so we could inherit a building with many defects and cost obligations. So, all in all, for simple rights and responsibilities for all parties, the Town should sell instead of ground lease.

**Should we demolish the Septage Facility now before we convey the property? Are there funds available to do so?**

**No.** If we followed the Septage Agreement to its natural conclusion in 2017, then any assets on site would be sold and the demolition costs would be shared by Sudbury and Wayland. Yes, there are funds still at the joint entity which ran the facility, and the current balance is \$181,000. However, after four more years of payment of pension obligations, there will only be minor funds remaining to complete any demolition (in the neighborhood of \$50,000 or less, and the demolition will likely cost \$300,000 - \$400,000).

A future private developer who is in process of developing the site will be able to demolish the building at a significantly lower cost than the town(s), since they will not be bound by municipality bidding and regulations, and they will already be mobilized on site. So if there are no funds to demolish, and a private developer can do it much less expensively, then the clearest path is to have the developer demolish.

**Have you stayed within the budget which was entrusted to you at last year's town meeting?**

**Yes.** We have spent less than \$150,000 of our \$360,000 which was allotted last year. We have spent as efficiently as possible; also, we had originally set aside funds for legal costs and further design and permitting if they conveyance is to happen, so that we didn't have to go the well twice. Any funds not spent will obviously be returned to the Town.

**Will the River's Edge apartments ever become like "The Projects" i.e. like urban affordable housing?**

**No.** First, the units are only 25% affordable, not 100% affordable. Second, designs for the projects will be evaluated before a developer is selected, assuring quality of the initial construction. Third, we will shape the project through zoning and design guidelines to make an attractive project that will age well. Fourth, the size of the project will attract professional development firms and investor groups which have a focused vested interest in maintaining their value for ownership, fund members and/or stockholders. Fifth, Wayland is an affluent and attractive community overall, it is highly unlikely that any part of our housing stock would slide into "Projects" status.