



Town of Lexington
Town Manager's Office

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MEMORANDUM

TO: Select Board
FROM: Jim Malloy, Town Manager
DATE: March 30, 2022
RE: Town Meeting Issues

Please accept the following for various Town Meeting issues (does not include comments on Article 35 OSRD or STM-2, Article 3 Remote Participation at Hybrid Town Meetings) for the Board's consideration:

Article 26 – Appropriate for Nexus Studies – With the proposed change to the motion to hold off on the studies until such time that the Governor signs off on one or both of the special acts, I have no concerns with the Article and recommend the Board support it.

Article 27 – Zero Waste Resolution – I still have concerns with this article it requires that a zero waste plan be developed by 2023 (no specific date or specific responsible party to accomplish the zero waste plan) that would:

- Include input from multiple stakeholders including residents and town staff;
- Establish goals that meet or exceed the state's 2030 Solid Waste Master Plan (the major goal of which is to reduce disposal by 1.7 tons from 5.7 to 4.0 or 30% reduction and to reduce the toxicity of solid waste and implementing producer responsibility);
- Recommend short- and long-term actions that address infrastructure, policies, local and regional collaboration, education and community engagement;
- Plan for town-wide composting services;
- Provide a cost/benefit analysis on each waste reduction strategy under consideration; and
- Prioritize solid waste reduction programs that minimize the impact on environmental justice communities.

Lexington's General Bylaws currently includes the following section:

§ 181-57. General provisions.

- A. Recycling is mandatory in Lexington.
- B. The Town of Lexington is committed to reducing the generation of solid waste within the community by working to:

- (1) Educate residents to reduce the solid waste they generate;
- (2) Accelerate recycling and composting efforts;
- (3) Commit the remainder of solid waste to waste-to-energy (resource recovery) disposal;
and
- (4) Reduce the toxicity of the waste stream.

C. The Town Meeting has established a requirement for the mandatory separation of certain recyclable materials from the rubbish of Lexington residents. School buildings and public buildings are included in this program. Apartments and condominiums also participate. Residents are encouraged to reduce the volume of packaging they bring home and to buy and use recycled products in order to support markets for recyclable materials.

My concerns are:

- We already have a bylaw that indicates most of what is being sought to be achieved.
- No person/body/committee/board is being charged with the responsibility to oversee this project over the next year.
- There are other alternatives that could be more effective to achieve these goals, such as amending Section 90-9 of the Town Bylaws (again) to remove the reference to “free” public disposal of solid waste and review the potential of a PAYT or SMART (Save Money And Reduce Trash) program that would encourage solid waste reduction through imposing a cost for disposal with free recycling. I looked today at the latest (2020) data from the MADEP which shows the 132 communities participating in PAYT/SMART recycle 51% of their solid waste while the 144 that do not participate (including Lexington) recycle on average 36% of their solid waste. A large portion of the goal for 2030 could be accomplished by effectively changing how the Town handles solid waste vs. passes a resolution.
- The last stated goal of minimizing the impact on environmental justice communities is too vague. In their presentation, they mentioned the waste to energy facilities, but in the State’s 2030 Solid Waste Master Plan, the references to environmental justice communities is related to providing assistance to these communities to increase recycling rates, decrease solid waste disposal and improve education around these issues. It does not refer to waste to energy (incineration) facilities and this goal as it was presented is contrary to the Town’s Bylaw.

I continue to recommend that the Select Board not support this resolution and direct the proponents to continue working with the Town staff on ways to effectively reduce solid waste.

Article 31 – Reporting, Disclosing and Assessing the Energy and Water Use of Large Buildings – This proposal changed since the last discussion through an amendment to remove the \$70,000 for consulting fees to assist getting this started and then today, due to objections from 2 condominium associations and is being amended further as per today’s email from Todd Rhodes.

My concerns are:

- There is no analysis on the staffing required. Should this bylaw require additional staffing, it should have been analyzed and included in discussions during the budget process. Otherwise, this bylaw dictates future budget decisions that have not been a part of the discussion of this bylaw.
- There has been no explanation provided why the \$70,000 initial appropriation (which isn't normally part of an article for a bylaw) was removed. At this point there is no funding to assist getting this program started.
- The last change which came in today indicates clearly that all of the different factors have not been adequately considered.

My recommendation is that the Select Board not support this bylaw and request the proponents to work with Town staff to improve the bylaw to come back at a future Town Meeting when all factors will have been taken into consideration and that any costs associated with the bylaw can be considered concurrently.

Article 39 – 475 Bedford Street PSDUP: At the last Select Board meeting, three of the Select Board members asked aloud if not this project, what project and will it be any different in sizing or massing. I've contacted the proponent, planning staff and school department and want to provide the Board the following analysis (some is repetitive of previous information provided to the Select Board, with some formats updated):

Traffic – The following data has been provided by MDM Transportation Consultants to the proponent, I've added the columns comparing the prior use of the site to the R & D facility that is proposed and a 200-unit housing development, this information was previously provided to the Select Board and shows that both the R & D facility and multi-family residential use would have lower traffic volumes than the prior sports club use.

	Historical Use	Proposed	Estimated	Athletic Club	Athletic Club
Period/Direction	Athletic Club	R & D	Multi-Family	to R & D +/-	to Housing +/-
<i>Weekday Morning Peak Hour</i>					
Entering	113	139	17	26	(96)
Exiting	67	31	57	(36)	(10)
Total:	180	170	74	(10)	(106)
<i>Weekday Evening Peak Hour</i>					
Entering	127	26	48	(101)	(79)
Exiting	122	136	30	14	(92)
Total:	249	162	78	(87)	(171)
Weekday Daily	2,046	1,828	908	(218)	(1,138)

Size/Massing – The proponent originally proposed a 225,000 s.f. life science building that was 5 stories and mechanical equipment on the roof and a parking garage. This was scaled back to a 165,000 s.f. life science building this is 4 stories with mechanical equipment on the roof and a proportionally smaller parking garage. As part of their own due diligence, they also scoped out a 200-unit multi-family residential structure that would be approximately 229,000 s.f.. This multi-family structure

would not have a parking garage, but would built with a podium underneath for parking with five stories of residential above (15’ podium parking and 11’ per story = 70 feet). The comparison between these two types of development are:

Massing	R & D	Multi-Family	Difference
Building Height	63	70	(7)
Garage Height	44	n/a	n/a
S.F.	165,000	228,920	(63,920)
Stories	4	5	(1)
Height w/mechanicals	81	70	11

Additionally, in the March 4, 2022 documents for site plan review, the proponent also provided a by-right development of four lot residential use.

Estimated Future Tax Revenue – Looking at this project as either a life science use or a multi-family and what each use would contribute to future tax revenues and transfers into the Capital Stabilization Fund to mitigate the estimated debt on the high school project provides the following analysis:

	475 Bedford	475 Bedford	
Basis	R & D Use	Multi-Family	Basis
Per s.f. value	\$ 400	\$ 242,756	Per Unit
Proposed s.f.	165,000	200	# of Units
FY22 Commercial Tax Rate	\$ 27.18	\$ 13.80	FY22 Residential Tax Rate
Current Value	\$ 7,561,000	\$ 7,561,000	Current Value
Current Taxes	\$ 205,508	\$ 205,508	Current Taxes
Estimated Future Value	\$ 66,000,000	\$ 48,551,200	Estimated Future Value
Estimated Future Taxes	\$ 1,793,880	\$ 670,007	Estimated Future Taxes
Amount to be transferred into CSF	\$ 1,588,372	\$ 464,499	Amount to be transferred into CSF
Development	# of Units	Total Assessed Value	Per Unit Value
Avalon at Lexington Hills	387	\$ 97,430,000	\$ 251,757
Avalon at Lexington	198	\$ 44,582,000	\$ 225,162
Total/Average	585	\$ 142,012,000	\$ 242,756

Estimated Students from Multi-Family:

While there may be some employees from a life science business that move into Lexington, that would be difficult to estimate. However, a multi-family development using the Avalon developments listed above, we are able to estimate with assistance from our School Department. The following table shows the estimated number of students that would come from a 200-unit multi-family development, which shows that we may expect between 112-164 students based on the two Avalon developments with an average of approximately 138 students:

		<u>Count of students with address</u>			
Avalon at Lexington Hills: 387 Units		Total Students	Elementary (K - 5)	Middle (6 - 8)	HS (9-12)
		10/1/2021	186	89	42
	10/1/2020	204	108	47	49
	10/1/2019	224	119	57	48
	10/1/2018	235	118	63	54
	10/1/2017	233	126	58	49
	Five Year Avg	216	112	53	51
	Per Unit	0.56	0.29	0.14	0.13
	200 Unit Est.	112	58	28	26
		<u>Count of students with address</u>			
Avalon at Lexington: 198 Units		Total Students	Elementary (K - 5)	Middle (6 - 8)	HS (9-12)
		10/1/2021	138	70	35
	10/1/2020	169	94	39	36
	10/1/2019	154	82	36	36
	10/1/2018	179	88	43	48
	10/1/2017	173	87	42	44
	Five Year Avg	163	84	39	39
	Per Unit	0.82	0.43	0.20	0.20
	200 Unit Est.	164	85	39	40
	Average:	138	71	33	33

It should be noted that residential development, in addition to school costs, has a greater impact on municipal services than commercial development as the following table shows for Fire/Police Services using 95/99 Hayden vs. the two Avalon developments.

Use	Address	Fire	Police	Total
Life Science	95/99 Hayden	8	40	48
Multi Family	Avalon at Lexington	39	97	136
Multi Family	Avalon at Lexington Hills	100	150	250

Mitigation from PSDUP MOA – As the Board is aware, the Town negotiates a MOA with each PSDUP project, which includes mitigation payments to assist the Town with a number of items. For this project, the mitigation payments include \$250,000 toward advancing the design of the Bedford Street/Hartwell Avenue improvements; install a sidewalk connecting the property to Drummer Boy Way; providing accessible pedestrian access to the crosswalk across Bedford; payment of \$388,000 from the parking garage to the Town’s Traffic Mitigation Stabilization Fund; \$5,000 to Lexpress or other transit service; traffic monitoring study and implement MADOT recommendations (up to \$62,500); implement road safety audit measures (up to \$80,000); provide access to trails and payment of \$10,000 per year for maintenance and management of trails; \$5,000 per year for maintenance and management of the Minuteman Bikeway; \$20,000 for public safety equipment; \$300,000 for affordable housing to be used at the Town’s discretion; agreement to achieve sustainability directives as included in the MOA as well as noise control at 5dBA above established ambient noise. The following lists all one-time, ongoing and other financial commitments:

<u>One-Time Direct Payments:</u>		<u>475 Bedford</u>
25% design - Hartwell	\$	250,000
Parking	\$	388,000
TDM	\$	62,500
Training	\$	20,000
Affordable Housing	\$	300,000
Total One-Time Payments	\$	1,020,500
<u>Annual Direct Payments:</u>		
Lexpress	\$	5,000
Trails	\$	10,000
Minuteman Bikeway	\$	5,000
Lab Inspection	\$	5,000
Total Annual Direct Payments:	\$	25,000
Ten Year Value:	\$	250,000
Twenty Year Value:	\$	500,000
<u>Additional Costs Borne by Developer</u>		
Road Safety Audit/Opticom	\$	80,000
Sidewalk Extension	\$	50,000
Shades	\$	200,000
	\$	330,000
Ten Year Value	\$	1,600,500
Twenty Year Value	\$	1,850,500

For the following reasons, I recommend the Select Board support the PSDUP project Article:

- Traffic under either a life science or multi-family use will be less than the historical use as a sports club.
- A multi-family will have greater massing than the proposed life science building since a portion of the life science building would have been a 44-foot tall garage that will not occur and the entirety of the site will be a 70-foot tall building. If it were a multi-family structure it would require re-zoning or a PSDUP Town Meeting article and this same issue will be raised at that time. If this went forward as a multi-family PSDUP the mitigation should be expected to be less than the current MOA.
- Estimated future property tax revenues from a multi-family are estimated to be 37% of the amount from the proposed life science building and the contribution to the Capital Stabilization Fund would be 29%. The loss of property taxes over a 10-year period is estimated to be \$11.2 million.
- Multi-Family will have additional municipal and school costs associated with providing services.