



CITY OF SOMERVILLE, MASSACHUSETTS
MAYOR'S OFFICE OF STRATEGIC PLANNING & COMMUNITY DEVELOPMENT
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MAYOR

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ACTING EXECUTIVE DIRECTOR

MEMO

To: Somerville Redevelopment Authority ("SRA")
From: Ben Demers, Senior Economic Development Planner,
OSPCD – Economic Development Division
Date: April 17th, 2025
RE: 299 Broadway Land Development Agreement and request for State approval for the SRA to purchase future Sewall Pocket Park lot using MassWorks funding

This memo accompanies two documents prepared by staff that the SRA will be asked to review at their April 22nd, 2025, general meeting:

- A draft Land Development Agreement (LDA) that staff are requesting the SRA to enter into with the development team of the 299 Broadway project within the Winter Hill Urban Renewal Plan ("WHURP") area, outlining the expectations of each party related to the development.
- A draft transmittal letter that staff are requesting to send to the Commonwealth's Executive Office of Housing and Livable Communities ("HLC") requesting approval for the SRA to acquire the future Sewall Pocket Park lot at 299 Broadway using MassWorks Infrastructure Program ("MassWorks") funding, and requesting a waiver to allow the SRA to pay more than the higher of two appraised values received for the site.

To review key context: The SRA adopted the WHURP in 2021 and received HLC approval for the plan that same year. In February 2023, a development team comprising Beacon Communities, Mark Development, and RISE Together received a Comprehensive Permit from the Somerville Zoning Board of Appeals for a mixed-use project at 299 Broadway in the WHURP area that would introduce a high proportion of affordable housing, along with new retail space, a community room, and two new civic spaces. While the proposal was never selected by the SRA through a formal Request for Proposals process, the project has been acknowledged as largely meeting the goals of the WHURP and has received past support from the SRA, and the development team purchased the land from the previous

owner in October 2023. City staff continue to work closely with the development team to help realize the project.

One of the two new civic spaces that the project will create is the future Sewall Pocket Park, which will be just under 8,000 sf. (This space is highlighted in Appendix A, in relation to the full project area and WHURP area.) The City received a \$2.5M MassWorks grant from the Commonwealth's Executive Office of Economic Development to support development of this civic space. \$9,625 of this grant has thus far been spent on appraisals. The LDA and transmittal letter descriptions below outline the plan for spending the additional grant amount through an acquisition covering the value of land and anticipated improvements to finish the park.

Land Development Agreement

This LDA is intended to outline expectations and obligations of both the SRA and the 299 Broadway development team over the course of the full 299 Broadway development. The substantive sections are *Section II: Certificate of Compliance for Lot 1 and Lot 2*, and *Section III: Acquisition and Development of Lot 5*.

Section II lays out a process for the SRA to issue Certificates of Compliance ("COC") to completed portions of the project to show that they have been developed in accordance with the goals of the urban renewal area. The intention is that this will allow the development team to manage the risk of an eminent domain taking for their financiers. These COCs will be requested after Certificates of Occupancy ("CO") are issued for the project by the City, to show compliance with the project's Comprehensive Permit issued by the Somerville Zoning Board of Appeals, and after the SRA has had a chance to inspect the improvements. This process was also included in the Master Land Development Agreement with Union Square Station Associates ("US2") for the Union Square Revitalization Plan redevelopment.

Section III lays out the process by which the SRA would acquire the future Sewall Pocket Park lot from the 299 Broadway development team and then hold the land while the development team finishes improvements to the park. The SRA would then eventually deed the finished park to the City to own in perpetuity. This section is structured to include a final price for the land that would be filled in only after the State has confirmed the acquisition price (see the section below on the Transmittal Letter). Note that staff are requesting the State allow the SRA to purchase the land at \$2,490,375, which is higher than the \$2M appraised value from the highest appraisal. This increased price includes the value of the anticipated improvements to be made to the land to build the park. Combining the land and improvements values into one acquisition price will allow the SRA to spend the MassWorks funding in the timeline required by the grant, while the draft LDA includes provisions to ensure that any value of the improvements not completed may be recouped by the SRA.

At the April 22nd general meeting, the SRA is being asked only to review this text and provide any feedback to staff about the existing structure of the agreement. The intention will be for the SRA to sign the agreement once the acquisition price for the future Sewall Pocket Park lot has been confirmed by the State.

Transmittal Letter

The Transmittal Letter is the request from the City to HLC to allow the SRA to purchase land within an urban renewal area—in this case, the future Sewall Pocket Park lot within the WHURP area. This request is generally based on the value of two appraisals and is meant to fall between the two appraisals. The City has ordered two appraisals for the lot, which came back at \$1.9M and \$2M. In addition to requesting approval for the acquisition, staff would like to request a waiver from existing urban renewal regulations to allow the SRA to purchase the land for \$2,490,375, rather than the higher appraisal value of \$2M. As explained above, this would include the value of anticipated improvements to create the park space.

Waivers to the regulations are generally based on two criteria:

- The project will serve a high concentration of low and moderate income population;
- The waiver will produce exceptional public benefit not otherwise available in the form of improvements to the land to create a public park.




The letter makes a case for each of these criteria.

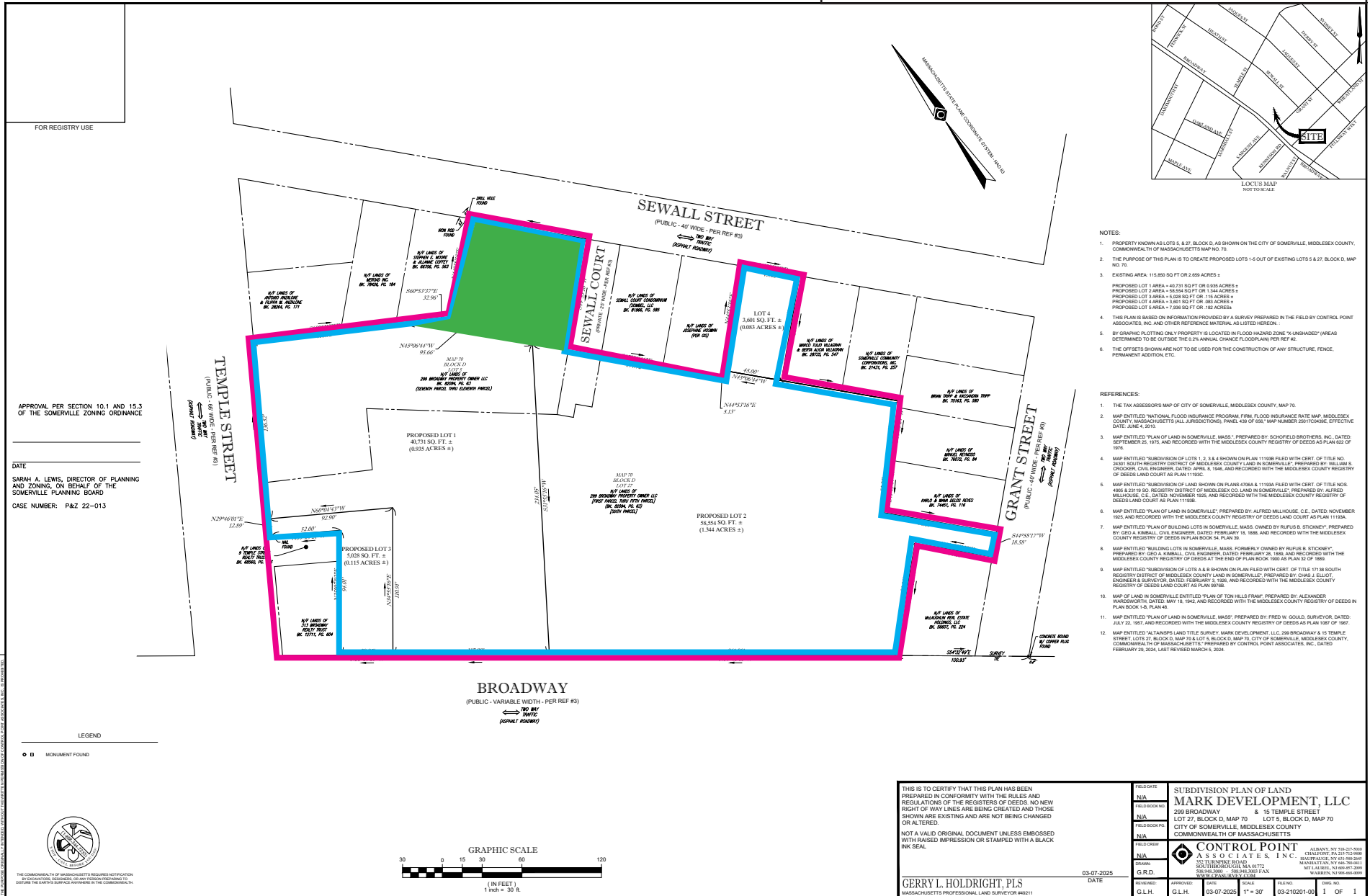
At the April 22nd general meeting, SRA members are being asked to vote to approve staff to send this letter to HLC.

Exhibit A: Map of the future Sewall Pocket Park parcel in relation to 299 Broadway redevelopment site and full Winter Hill Urban Renewal Plan area, along with clean 299 Broadway subdivision plan.

Map of the future Sewall Pocket Park parcel in relation to 299 Broadway redevelopment site and full Winter Hill Urban Renewal Plan area

Legend

-  Future Sewall Pocket Park
 Boundaries of 299 Broadway development site
 Boundaries of the Winter Hill Urban Renewal Plan area



[illegible]