

Housing & Development Forum

January 3, 2019



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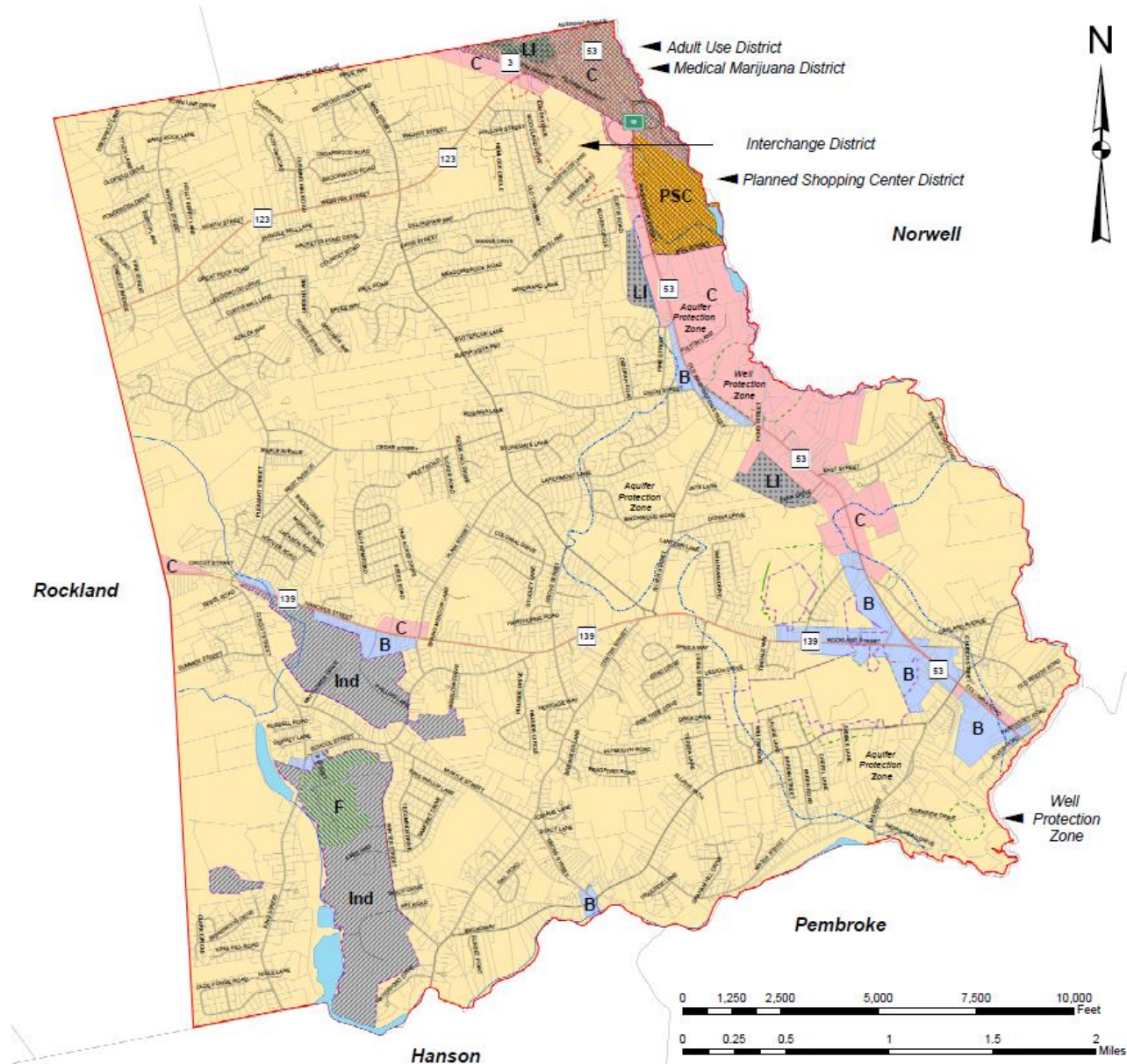
- Goals:** (1) Provide context for the Hanover Mall project as it relates to anticipated housing and development trends so the public has a better understanding of how Hanover might look & feel with new growth;
- (2) Gain insights into how new growth could impact municipal services and property taxes.

Housing & Development Forum

Topics to Discuss

- Zoning Districts / Areas of Hanover Where Multi-Family Residential Development is Permissible
- Factors that Impact Development
- Permitting Avenues
- Options for Municipal Control Over Future Development
- Tax Incremental Financing / Property Taxes
- Impact Housing and Development Will Have on Town Services
- Overview of the Hanover Mall project by PREP

Hanover's Zoning Districts



Multi-Family Housing Options

- Planned Residential Development for Seniors (PRDS)
- Village Planned Unit Development (VPUD)
- LIP (Friendly 40B) / 40B
- Changes to By-Laws via Town Meeting
 - Voters get to decide if PRDS and VPUD development tools for multi-family housing continue to be options for Hanover in their current form; and/or vote in new/different tools to encourage the type of development desired.

(local) Permitting Authorities

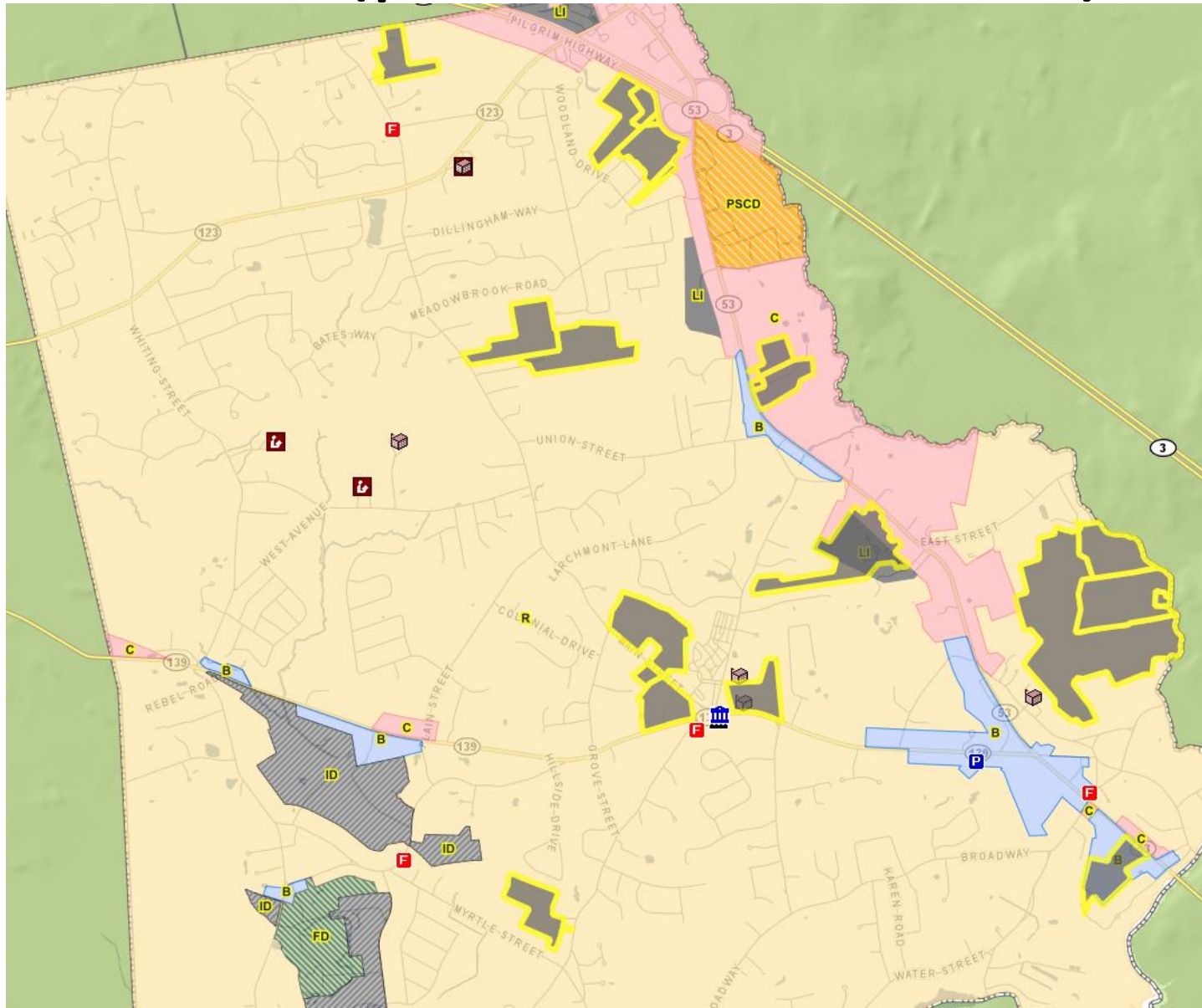
- Planning Board
- Zoning Board of Appeals
- Board of Selectmen
- Conservation Commission
- Historical Commission
- Board of Health
- Affordable Housing
- Town Meeting

Planned Residential Development for Seniors (PRDS)

Planned Residential Development for Seniors: A unified, self contained, residential retirement community, constructed expressly for and specifically limited to use and residency by persons who are fifty five (55) years of age or older, and including one or more types of residential dwellings, undertaken in accordance with an overall plan, incorporating a consistent architectural concept and incorporating the preservation of natural areas within the development.

Permitting Authority = Planning Board via Bylaws approved by Town Meeting

PRDS (possible locations)

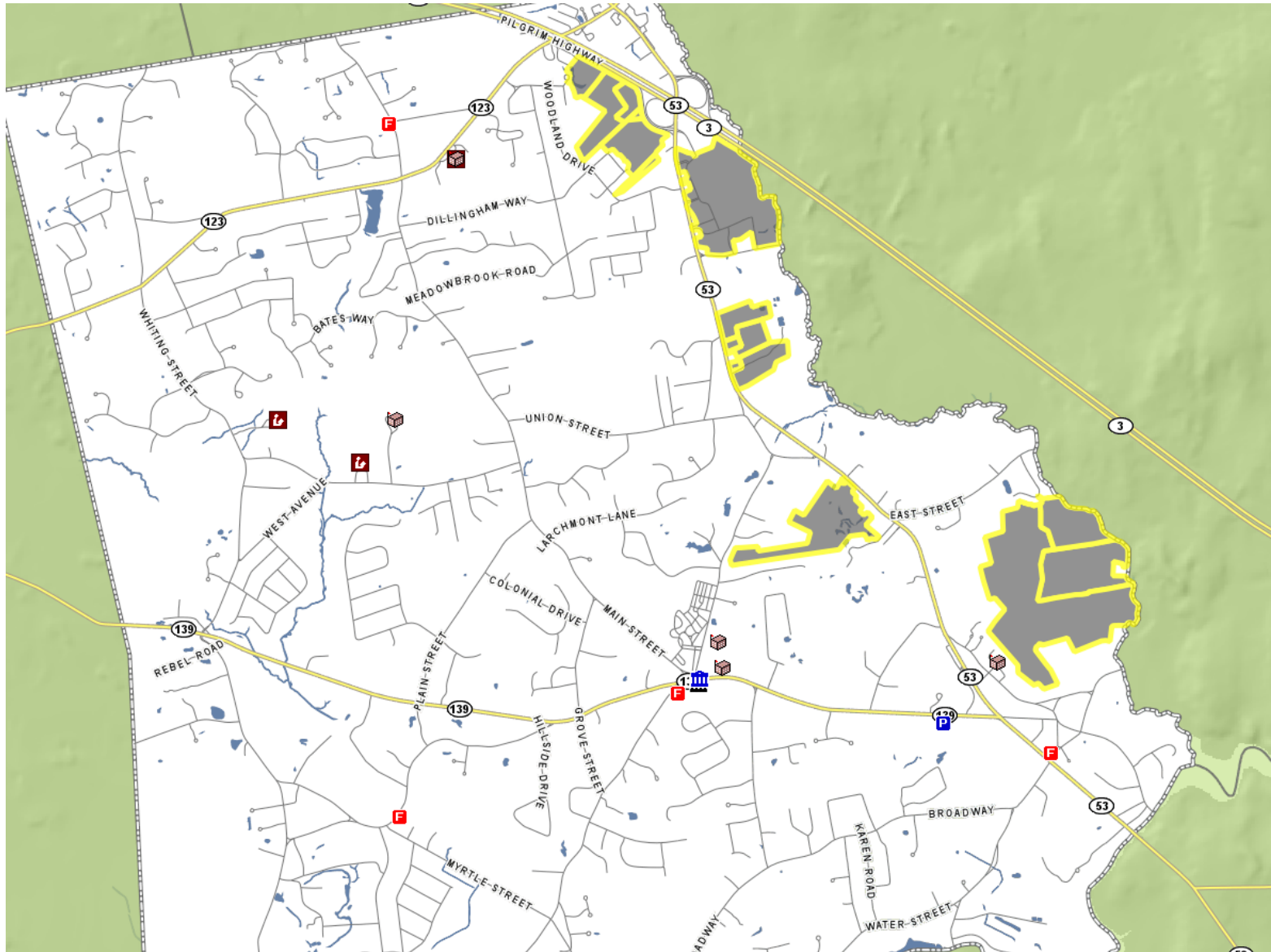


Village Planned Unit Development (VPUD)

Purpose: The purpose and intent of allowing for a Village Planned Unit Development (VPUD) by Special Permit is to encourage and promote the planning and development of projects that are characterized by economically viable mixed-uses, including housing alternatives to typical detached single family residential subdivisions, a variety of building types in village-style settings, and the creation of areas with distinct visual character consistent with traditional New England style development on parcels of land in proximity to Route 53.

Permitting Authority = Planning Board via Bylaws Approved by Town Meeting

VPUD (possible locations)



40B/LIP

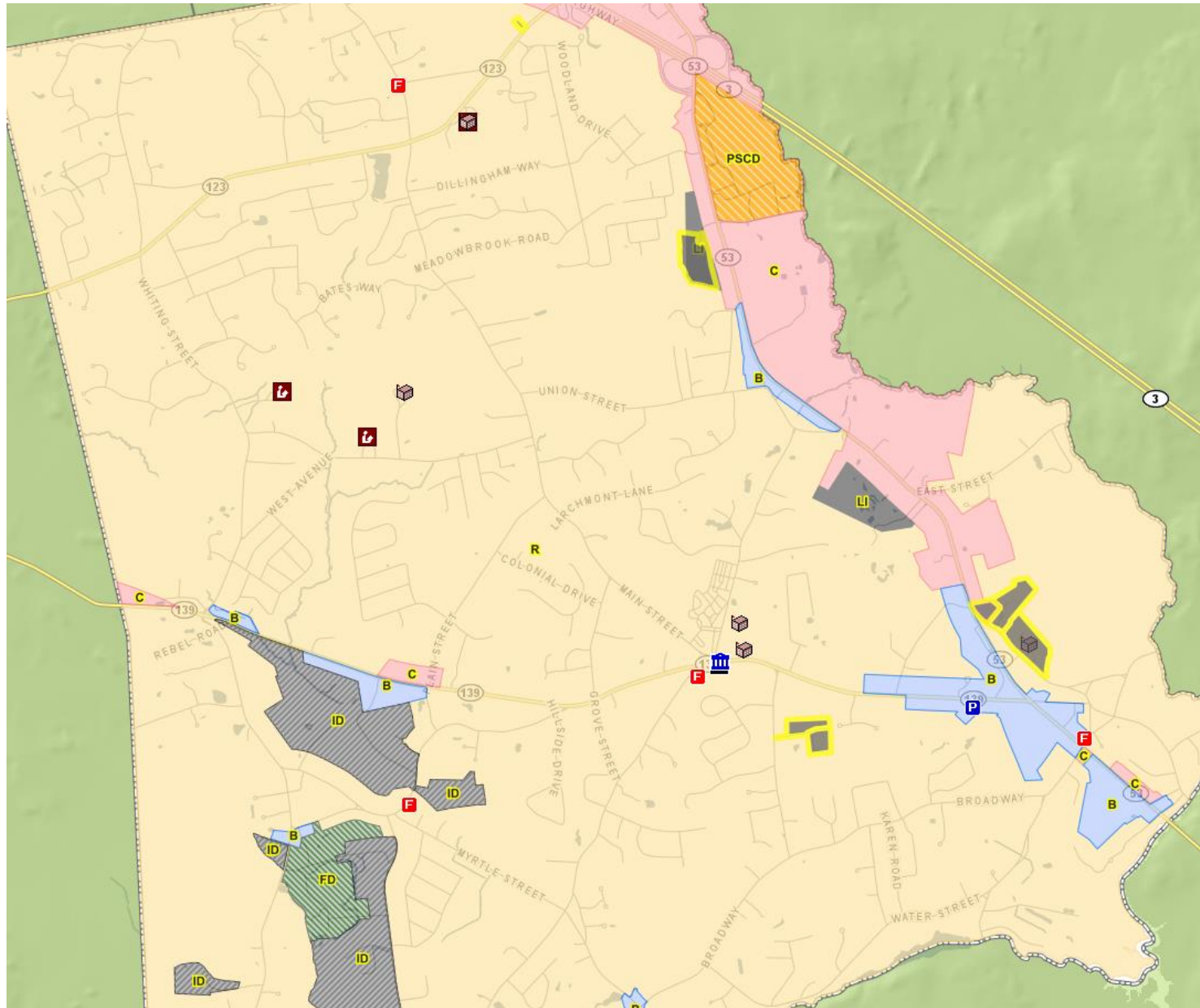
Under Chapter 40B, allows developers of affordable housing to override certain aspects of municipal zoning bylaws and other requirements in any municipality where less than 10% of its housing qualifies as affordable under the law, a developer can build more densely than the municipal zoning bylaws would permit, allowing more units per acre of land when building a new development, if at least 25% (or 20% in certain cases^[4]) of the new units have long-term affordability restrictions.

Permitting Authority = Builder and Zoning Board of Appeals

Local Initiative Program (LIP) is a state program that encourages the creation of affordable housing by providing technical assistance to communities and developers who are working together to create affordable rental opportunities

Permitting Authority = Board of Selectmen, Builder, and Zoning Board of Appeals

Hanover 40B Locations



Subsidized Housing Inventory

	<u>2018</u>	<u>w/ PREP</u>	<u>Threshold</u>	<u>Capacity</u>
Total # SHI	575	575	575	
Total # Units	4,832	5,508*	5,750	242^
% SHI	11.9%	10.44%	10%	

*Projected 2020 census + 300 market-rate units at Mall

^Based on current trends this capacity will last until \approx 2026

Cottage – Cluster Zoning



Tax Incremental Financing (TIF)

Theory: Promote (re)Development via public-private partnership

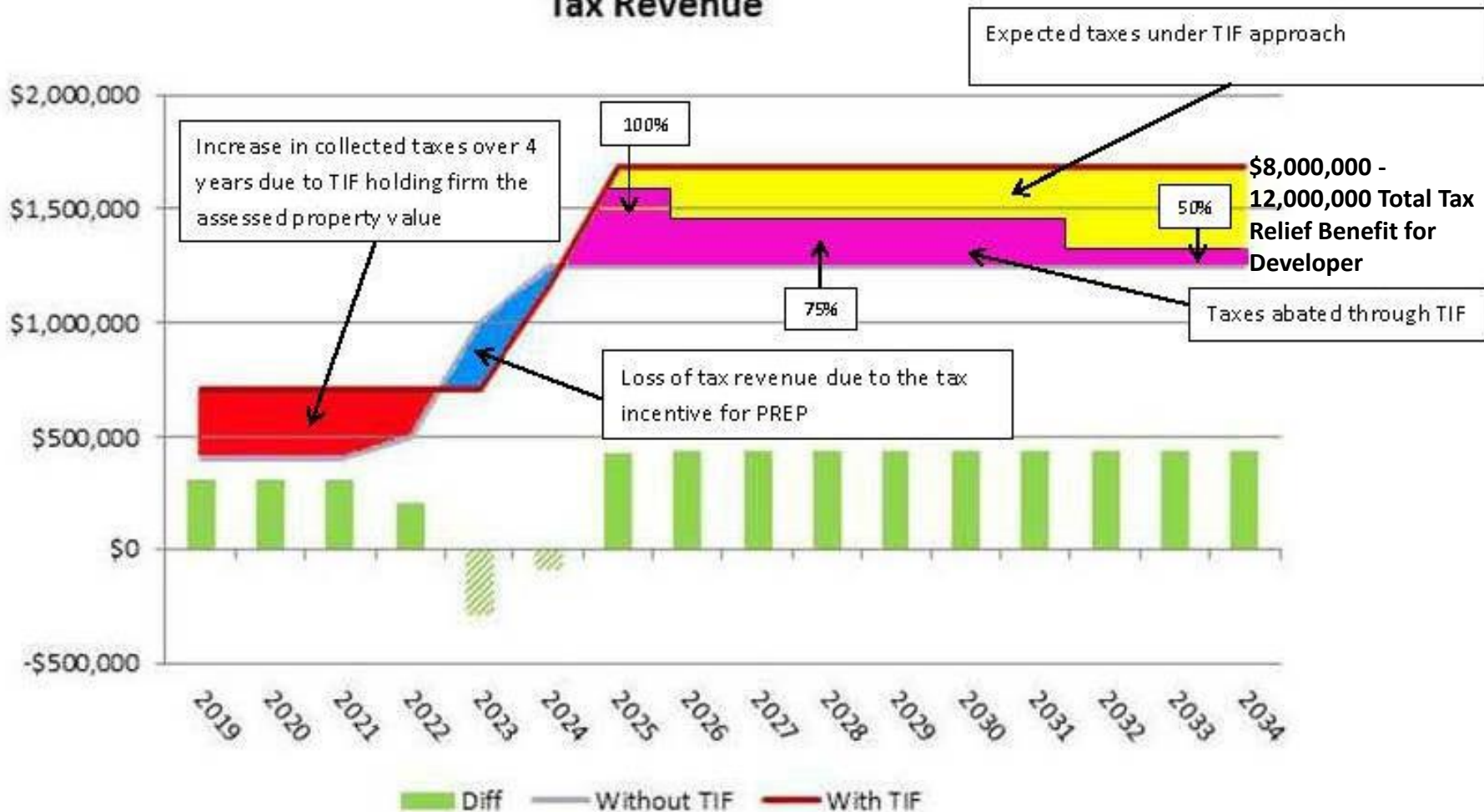
Benefits (www.mass.gov)

DIF and TIF provide opportunities to redevelop areas in ways which can lead to increased property values, increased tax revenue, improved infrastructure, enhanced transportation services, increased housing supply, new jobs and an overall improvement in quality of life for the inhabitants of the city or town.

Success is tied to careful planning which identifies the needs of the district and combination of uses most likely to succeed. While TIF focuses on job creation, DIF allows significant flexibility in planning for the district's housing and commercial needs. The role of private partners can be crucial to achieving the desired effects. In both cases, public/ private agreements provide details and guidelines.

Tax Incremental Financing (TIF)

Hanover Mall Tax Revenue



Revenue Generated Annually

(assuming Mall project is permitted as currently envisioned; not including additional mitigation either mutually agreed to or required via permitting)

<u>Property Tax -Mall</u>	<u>Property Tax - Apt</u>	<u>Excise</u>	<u>Meals*</u>	<u>Ambulance</u>
\$750,000	\$800,000 (new)	\$150,000 (new)	\$10,000 per restaurant (new)	\$50,000 (new)

Additional Monies to Offset Operating Costs = **\$1,000,000**

Average Property Tax Bill Decrease = **\$200**

(assuming Mall property becomes vacant)

<u>Property Tax -Mall</u>	<u>Property Tax - Apt</u>	<u>Excise</u>	<u>Meals*</u>	<u>Ambulance</u>
\$400,000	\$0	\$0	\$0	\$0

Total Loss in Revenue for Town = **\$350,000**

Average Property Tax Bill Increase = **\$70.**

Revenue Generated Annually (water)

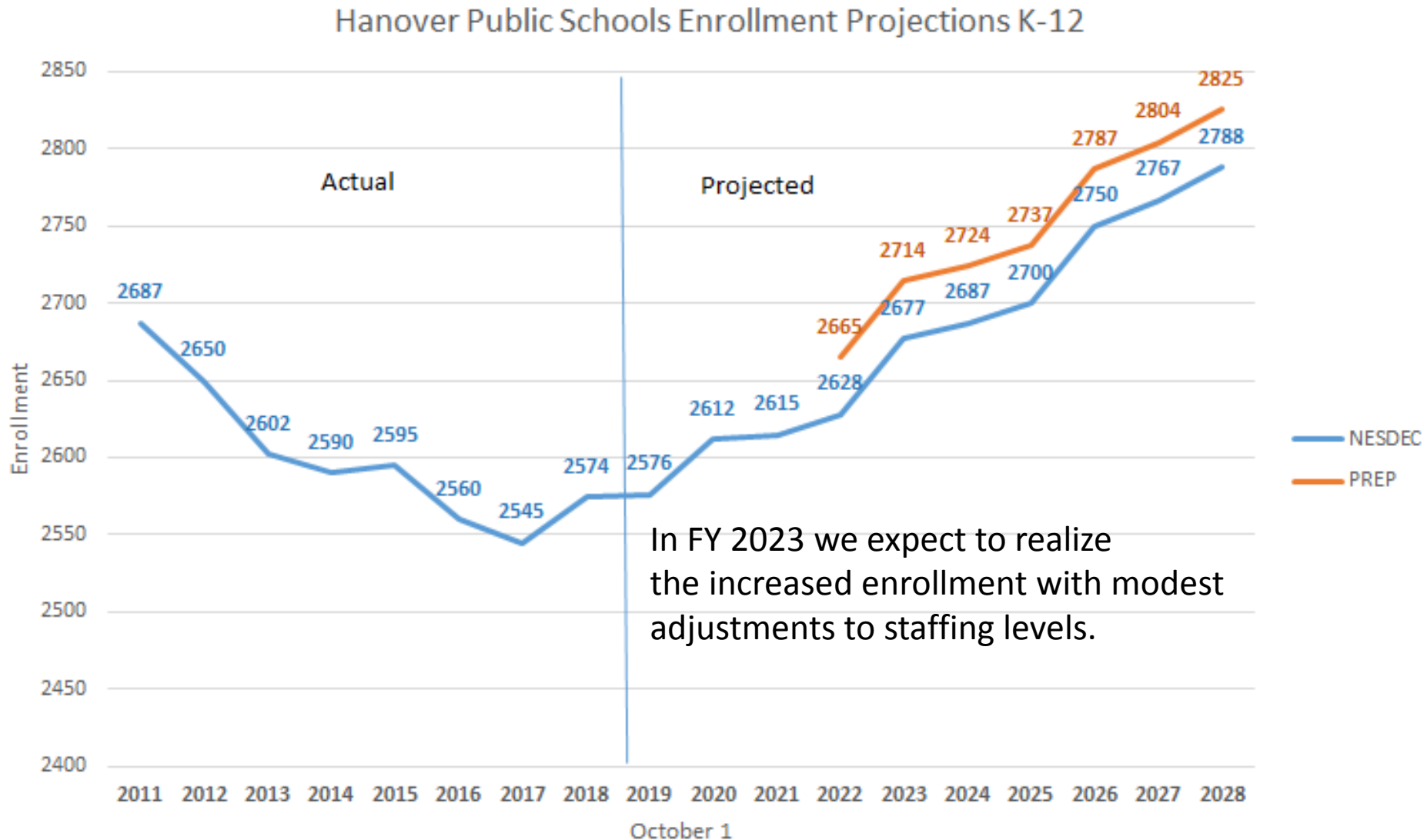
Current Water Use – MALL	Current Revenues – MALL	Projected Future Use – Apts	Projected Future Revenues –Apts
22,000 GPD	\$80,000	30,000 GPD	\$165,000*

* Usage will be charged at the highest step rate

Mitigation

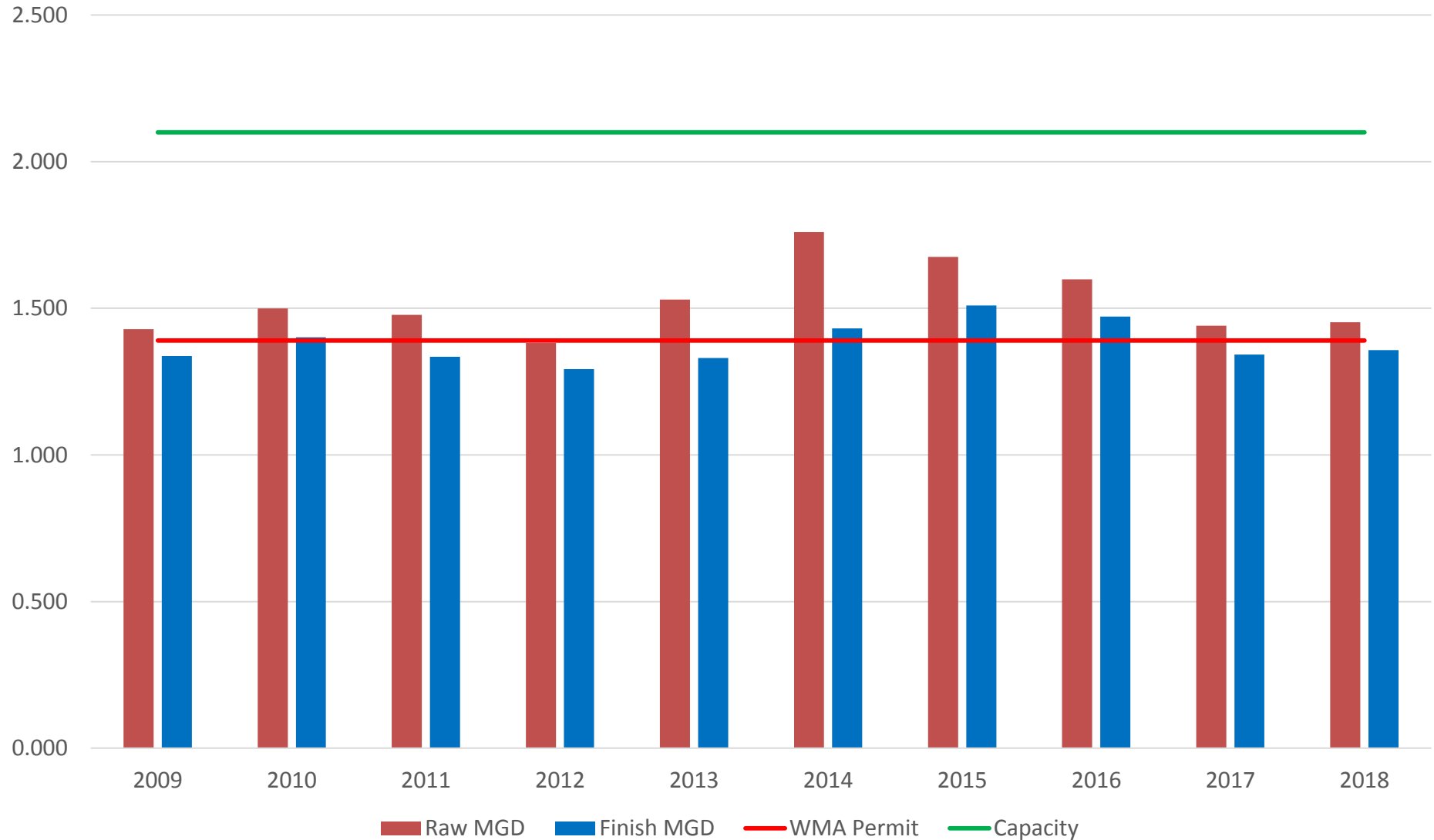
In all non-residential districts, any new structure exceeding eight thousand (8,000) square feet of gross floor area or any expansion or alteration of an existing structure which exceeds five thousand (5,000) square feet of gross floor area, shall require Site Plan Approval in addition to a Special Permit. Any change of use or alteration that results in impacts exceeding those found in Section 11.120 shall require Site Plan Approval and a Special Permit. The Planning Board shall have the discretion to require Site Plan Approval for any project that it deems will generate significant impacts, including requiring the impact assessments described in Section 10.120. Some projects may qualify for Limited Site Plan Review pursuant to Section 10.400.

School Enrollment Projections



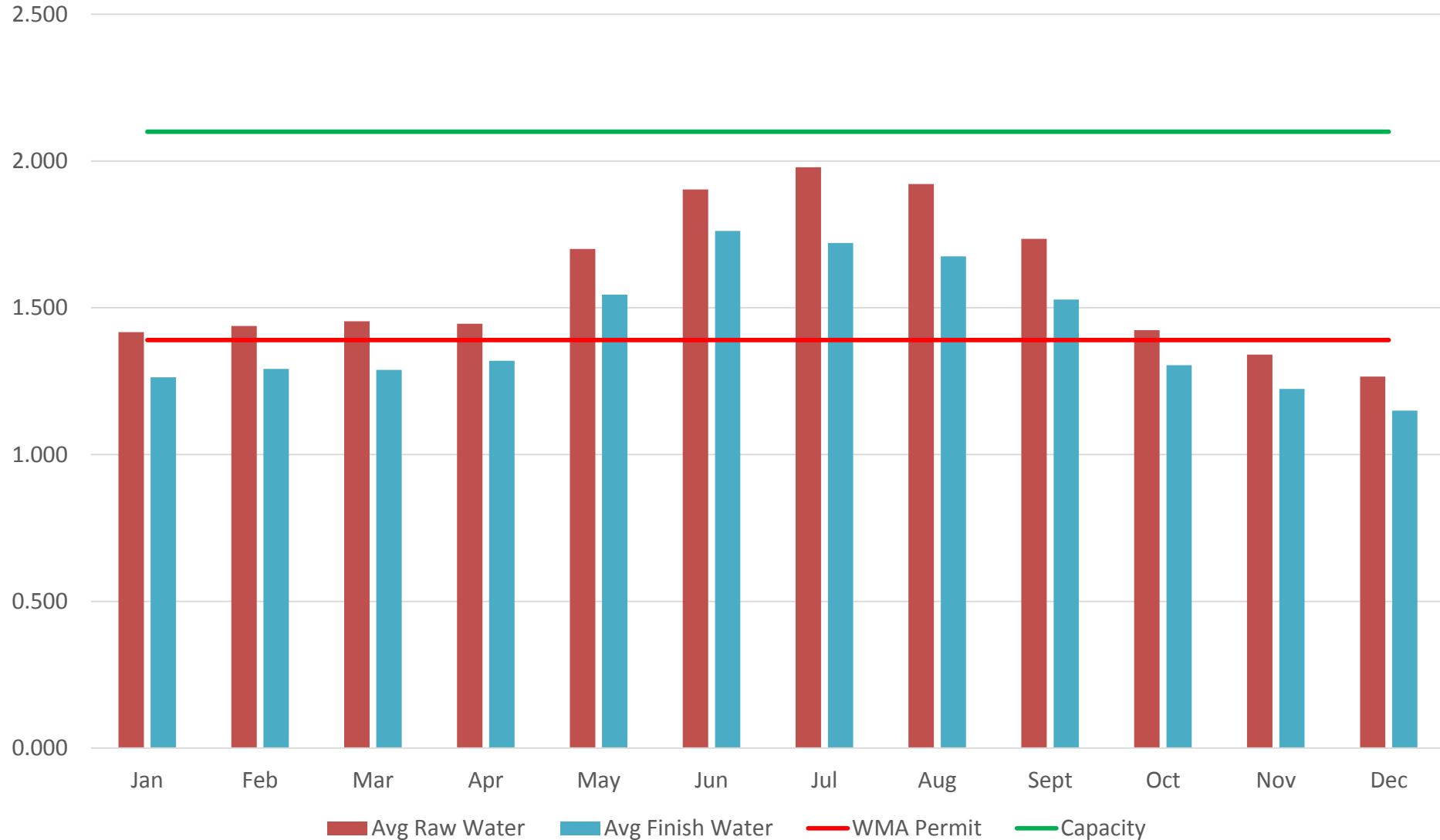
Water Resources

Annual Water Pumped (MGD Million Gallons per Day)



Water Resources

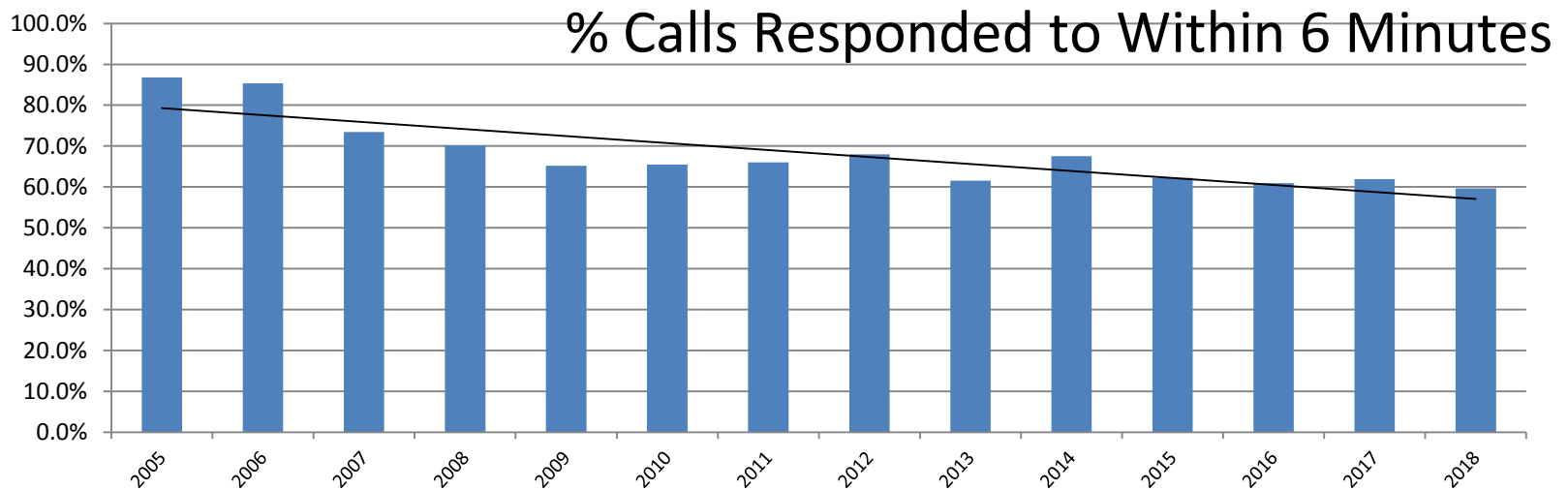
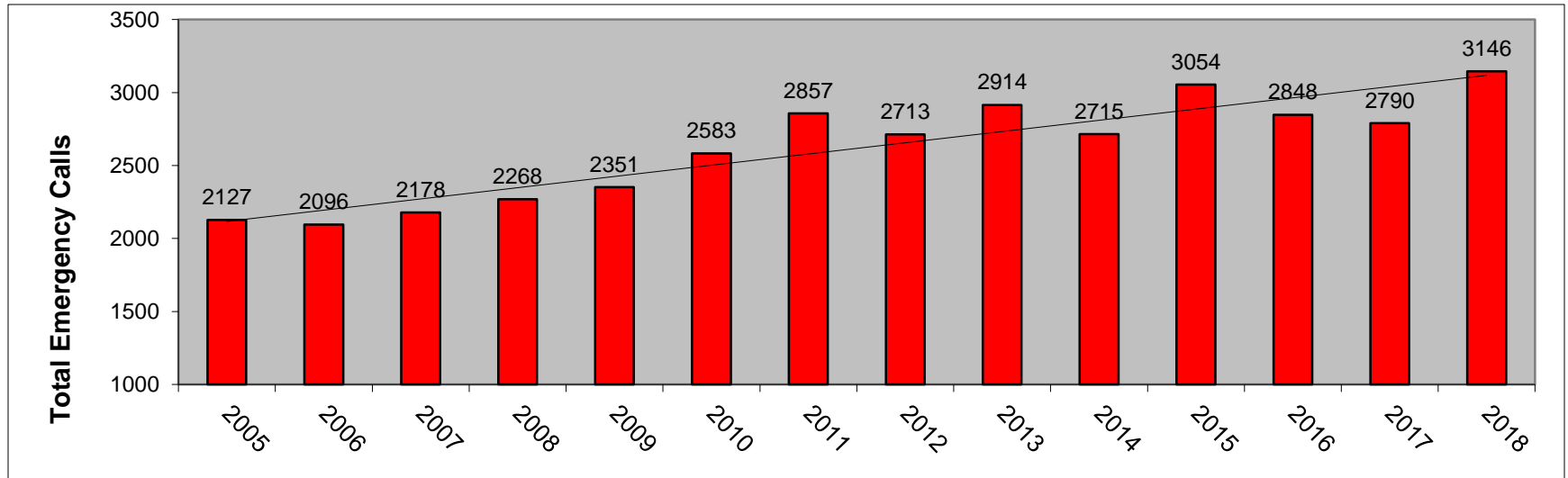
Average Monthly Water Pumped 2014-2018 MGD



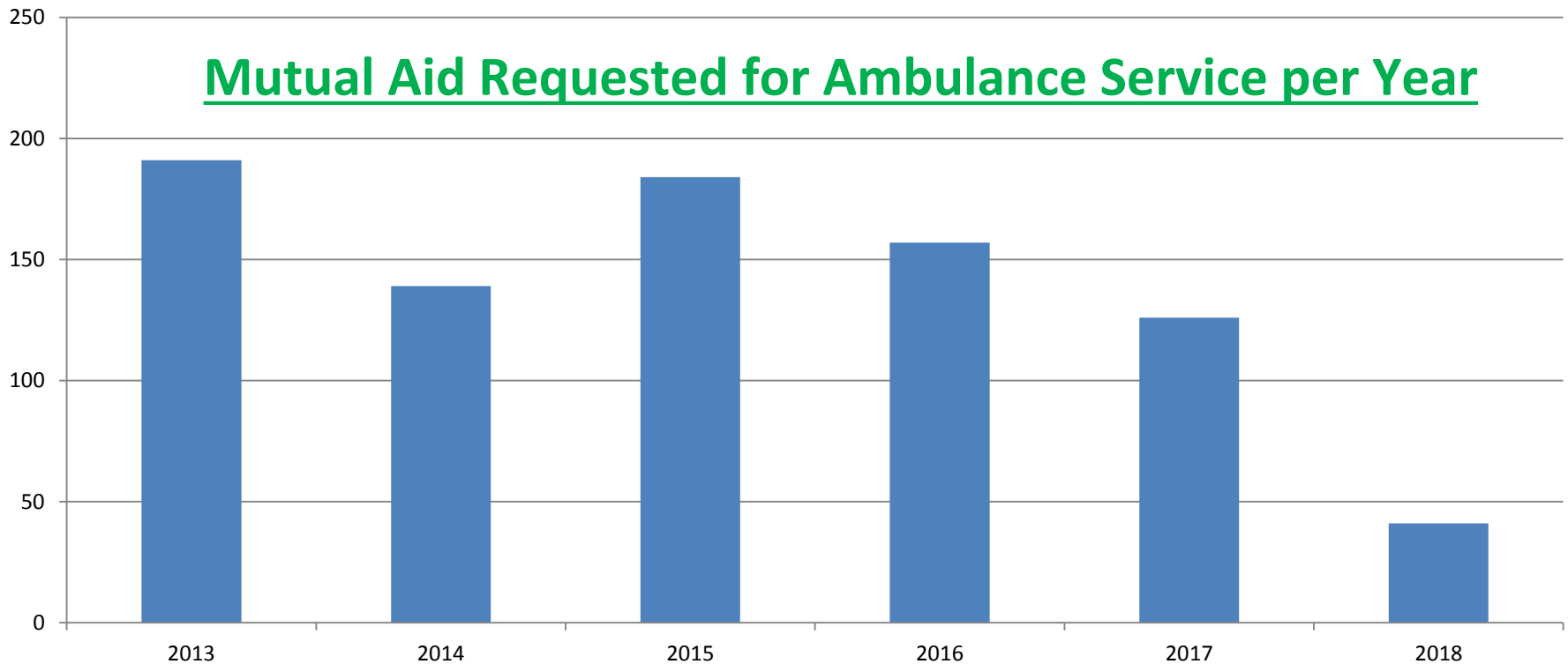
Fire & EMS Resources

- Fast Food Restaurant Avg. = 6
- Auto Dealership Avg. = 3
- Current Hanover Mall = 120
- YMCA = 40
- North Pointe = 67
- Hanover Woods = 12
- ****Additional Calls Anticipated at Mall ≈ 50**
- ****Additional Calls Anticipated at APTS ≈ 100**
- ****TOTAL Additional calls Mall + APTS ≈ 150**

Fire & EMS Resources



Fire & EMS Resources



*The reduction is attributed to adding 4 new fire-fighters with a SAFER grant. Reduction in mutual aid calls will increase revenue to the Ambulance Fund by \approx \$55,000.

Fire & EMS Resources

When will more HFD staff be required? This is a difficult question to answer but it appears that the current level of resources can handle some new growth.

TOWN	Sq. Miles	POP.	Staff/Shift	Calls*
AUBURN	16.4	16499	8	3,468
MANSFIELD	20.7	23700	9	3,368
EASTON	29.1	24038	9	3,344
SOMERSET	11.9	18223	7	3,219
WESTBOROUGH	21.6	18227	8	3,213
SCITUATE	17.6	18133	11	3,167
WINTHROP	8.3	18190	7	3,151
WALPOLE	21.0	21125	9	3,111
HANOVER	15.7	14485	6	3,056
SEEKONK	18.3	15244	9	3,044
WESTWOOD	11.1	16079	8	2,940

Fire & EMS Resources



Police Resources

In order to continue providing the current level of police services, which includes community policing & proactive problem solving capabilities, staffing must be maintained and for every population increase of ≈ 500 another officer should be added.

<u>Year</u>	<u>Population</u>	<u>Incidents</u>	<u>Officers</u>	<u>*Ratio</u>
2007	14,091	12,934	29	2.05/1000
2018	14,823	13,652	30	2.02/1000

*2.01/1000 is Average for like sized communities in the Northeast

Traffic





Public Information Meeting
January 3, 2019

Agenda:

- PREP Background
- TIF / Residential Timeline
- What If There Is No Residential
- Retail Vision
- Hanover Company Background
- Residential Vision

Our Team: PREP

- 1991 – Phillips Edison & Company (PECO) was formed to acquire, develop, re-develop, lease and manage retail shopping centers.
- Next 25 years – the company’s portfolio grew to more than 340 shopping centers in 32 states and 300 plus associates working in Cincinnati and Salt Lake City.
- 2015 – PECO Real Estate Partners (PREP) was founded. PREP is a spin-off to PECO to provide more focus on the large opportunistic assets.
- 2017 – Almanac Realty Investors agreed to invest \$300 million into the PREP strategy.
- PREP understands that the retail landscape is constantly changing; PREP’s specialized and nimble team combines deep knowledge of real estate fundamentals with detailed evaluation of consumer, market, and retail trends.

TIF/Residential Timeline

- 6/19/17 TIF Agreement approved and executed
- 6/21/17 e-mail from Phil Nievergelt (land broker) to Ed Callahan on the possibility of an anchor moving from our site. He was tipped off by reading an article about the TIF approval.
- 6/22/17 e-mail from Lloyd Sova to Phil to setup a conference call to discuss the redevelopment. That is when Phil mentioned the Hanover Company and a possible interest.
- 7/18/17 Robyn Hays from PREP met with Hanover Company
- 7/25/17 David Hall from Hanover Company made first contact with Lloyd Sova to discuss the redevelopment and released his site planner on a preliminary multi-family layout.
- 8/8/17 Received LOI from Hanover Company including a site plan with layout, density and the 4-story buildings
- 8/17/17 reached out to Town Planner to discuss the VPUD and how the residential fits into it

What happens if the residential is not approved?

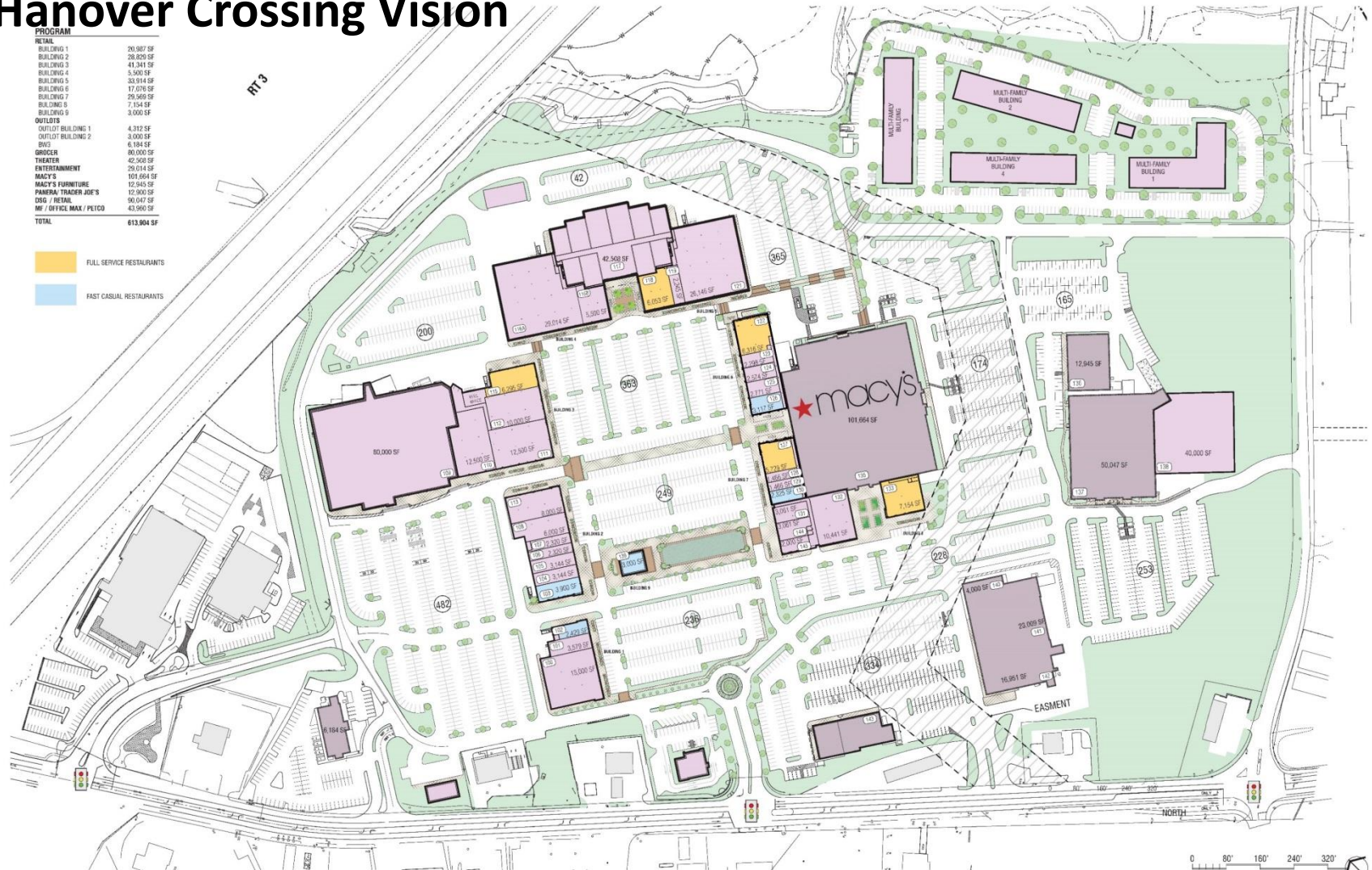
Hanover Crossing Vision

PROGRAM

RETAIL	
BUILDING 1	20,987 SF
BUILDING 2	28,825 SF
BUILDING 3	41,341 SF
BUILDING 4	5,300 SF
BUILDING 5	30,514 SF
BUILDING 6	17,075 SF
BUILDING 7	29,569 SF
BUILDING 8	7,554 SF
BUILDING 9	3,000 SF
OUTLOTS	
OUTLOT BUILDING 1	4,312 SF
OUTLOT BUILDING 2	3,000 SF
DRUG	
DRUG	80,000 SF
GROCER	
THEATER	29,014 SF
ENTERTAINMENT	101,864 SF
MACY'S	12,945 SF
MACY'S FURNITURE	12,900 SF
PANTRY TRADER JOES	90,047 SF
DSG / RETAIL	42,569 SF
MF / OFFICE MAX / PEYCO	
TOTAL	613,904 SF

FULL SERVICE RESTAURANTS

FAST CASUAL RESTAURANTS



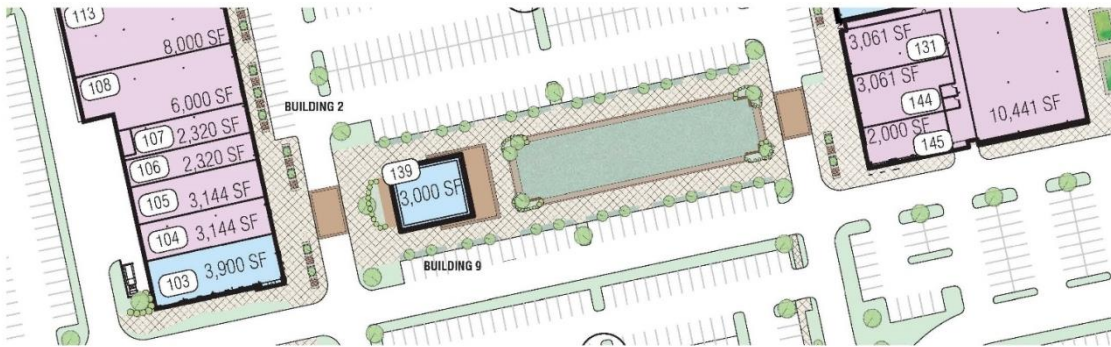
HANOVER CROSSING

0 80' 160' 240' 320'

NORTH
12.12.2019

Hanover Crossing Gathering Area Vision

- Central location in Hanover Crossing to provide a gathering place.
- Events such as: Live music, food trucks, movies, games, exercising, art exhibits, holiday displays and much more.
- Approximately 30,000 square feet or .7 of an acre of public gathering space.
- Meeting place for groups, friends and families.



Retail Vision



Green space will be an attractive element of the experience, allowing visitors to enjoy time with family, friends, neighbors and meet new people.

Retail Vision



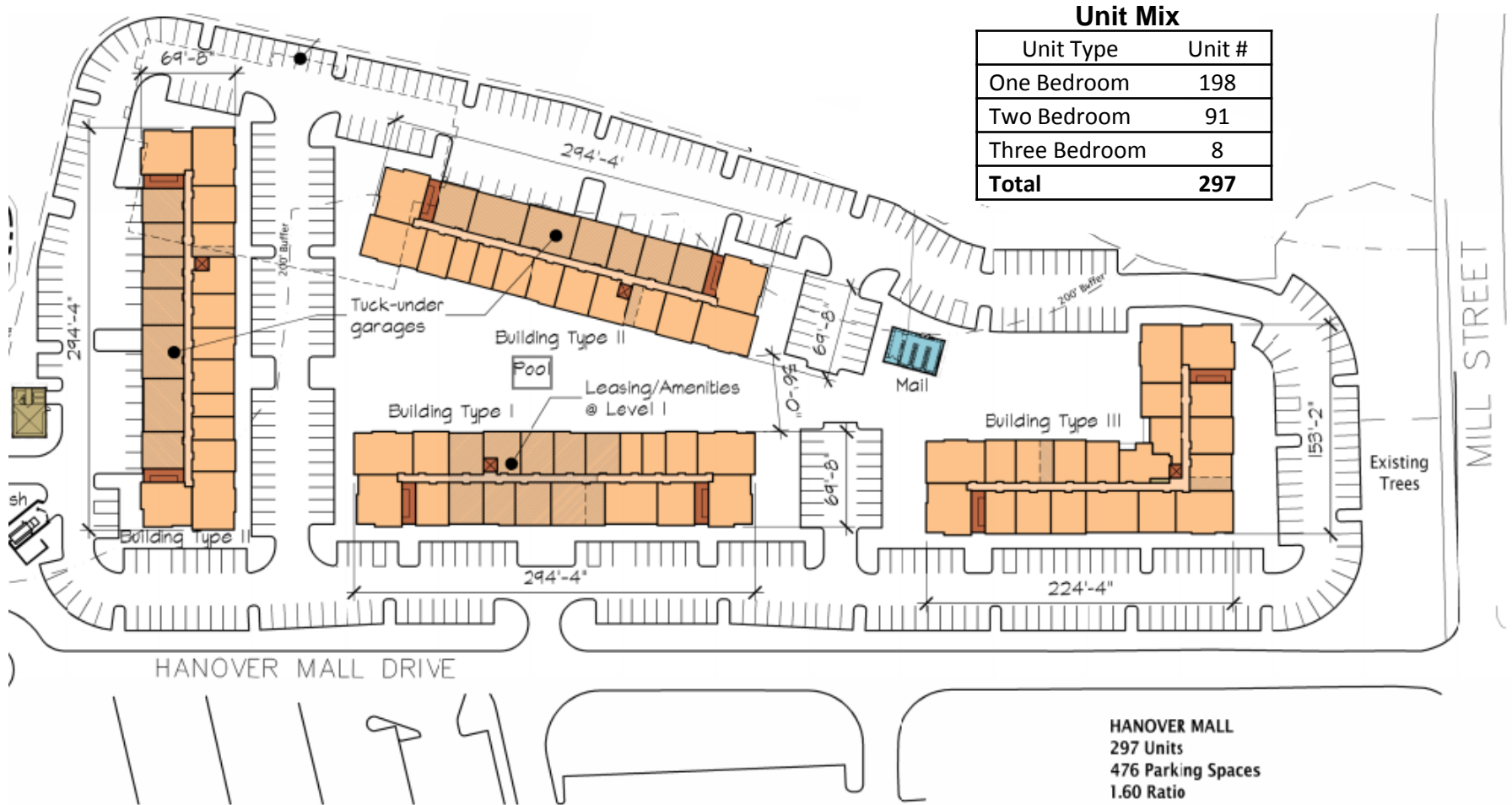
The architectural experience will be welcoming and designed to allow visitors to easily explore different restaurants, retail shops and local boutiques

Our Team: Hanover Company www.hanoverco.com

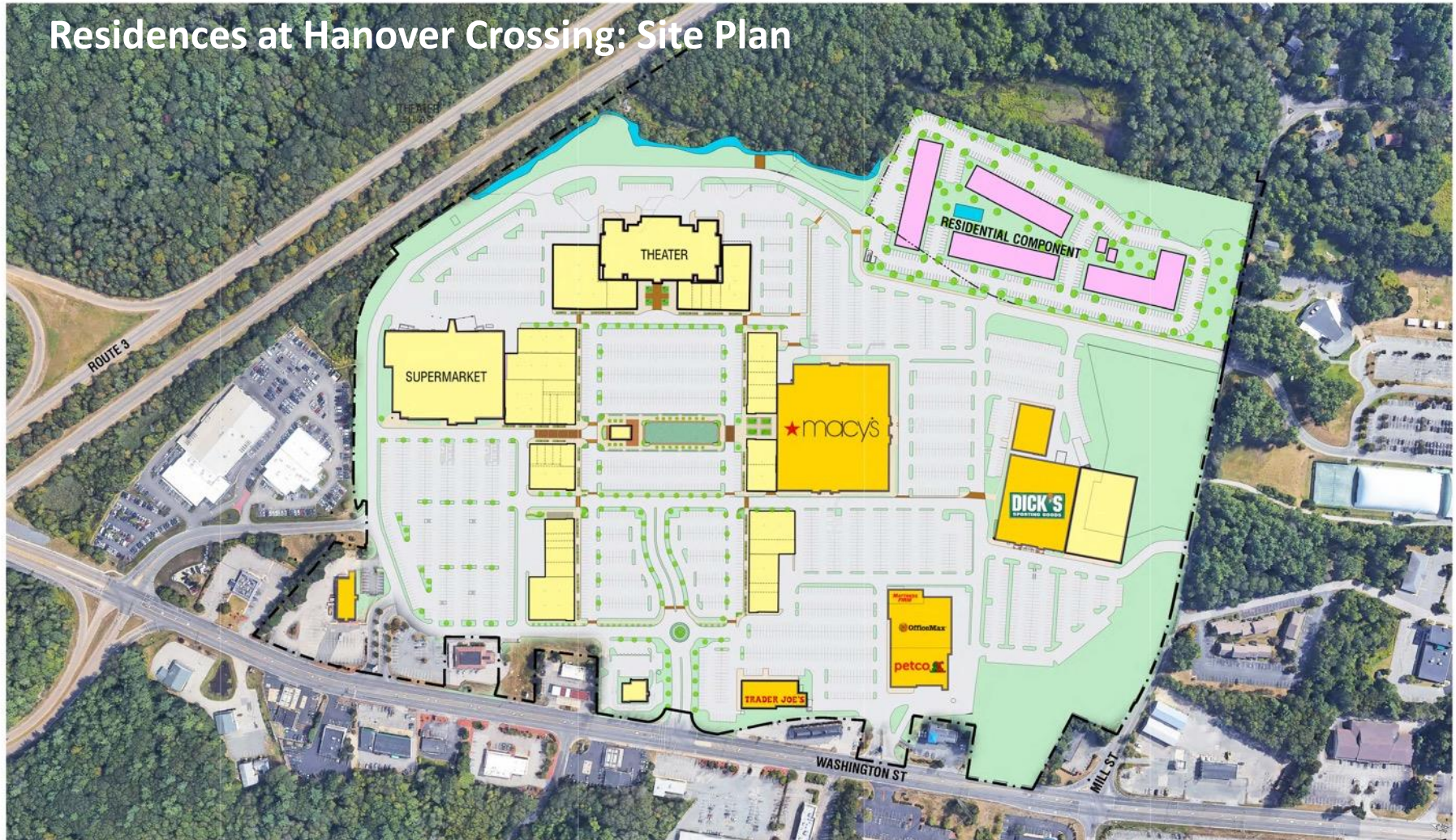
- Headquartered in Houston, TX, Hanover stands as one of the most active, privately held, multifamily development companies in the country
- Strategic focus on luxury rental properties
- Developed over 50,000 apartment homes across the country since inception in 1982 with another 10,000+ currently being developed
- Developed 4,832 apartment homes in the Boston MSA since 2003 with another 1,900+ currently being developed. Total of 24 projects in 18 Eastern MA Towns/Cities



Residences at Hanover Crossing: Site Plan



Residences at Hanover Crossing: Site Plan



HANOVER CROSSING

SITE PLAN

Residences at Hanover Crossing: Aerial



HANOVER CROSSING

Aerial View



Precedent Images-Building Exterior



Building Exterior Cont'd



Interior Amenities





Exterior Amenities



Unit Finishes



Residences at Hanover Crossing: Economics

- Total Project Cost: \$85,000,000
- Projected Annual Property Taxes: \$890,000
- Average Rent (Market Rate): \$2,300
- Construction Duration: 20 Months
- Lease-Up Period: 13 Months



Residences at Hanover Crossing

- Rent & Demographics
- Building Height
- School-Age Children
- Traffic
- Water
- Police & Fire



Resource for Information & Project Updates

www.TheHanoverCrossing.com

