

Update

To: Kathleen Kiely Dias, Kevin F. Greeley, John W. Hurd, Charles Lyons, and Diane M. Mahon
From: Charlie Foskett – Chairman and Alan McClennen, Director of Planning
CC: Nancy Galkowski, John Maher, Marie Krepelka and Symmes Advisory Committee
Date: January 6, 2003
Re: Status Report to the Arlington Board of Selectmen

1 Update.

The following update has been prepared at your request. Topics to be covered are summarized below:

Committee Membership.
Recent Activities and Financial Status.
Work With VHB And The Arlington Redevelopment Board on Reuse Scenarios.
Preliminary Report Of Applied Management Systems.
Next Steps.

2 The Symmes Advisory Committee Background and Membership.

The 2001 Annual Town Meeting formed the Symmes Advisory Committee to advise the Town Manager, Finance Committee, Board of Selectmen, Redevelopment Board and Town Meeting on the potential uses and disposition of the Symmes Campus. The Committee is required to report to each Annual and Special Town Meeting, and consists of the following members:

Charles Foskett, Chair – designee of Capital Planning Committee
Brian Rehrig, Vice-Chair – designee of Open Space Committee
Stephen DeCoursey, Secretary – designee of Finance Committee
Carolyn Simmons – designee of Board of Selectmen
Phyllis Bailey – designee of Brattle Hill Neighborhood Association
Robert Carey, MD – designee of Symmes Corporation Board of Trustees and Sanborn Trust Board of Trustees
Elisabeth Carr-Jones – designee of Selectmen's Transportation Committee
Brian Greeley – designee of Interfaith Council
Patricia Worden – designee of Arlington Housing Authority
Cindy Friedman – designee of Council on Aging, Assisted Living Task Force, and Arlington Seniors Association
Marc Dohan – designee of Affordable Housing Task Force
Allen Reedy – designee of Vision 2020 Standing Committee
David Walkinshaw – designee of Arlington Chamber of Commerce

3 Principal Activities Since Spring Town Meeting.

Highlights: The principal activities of the SAC since June are outlined below:

- # Town-wide Survey Completed 5/30/02.
- # VHB retained as Consultant June 27, 2002.
- # On July 23 SAC held two hour hearing focused on neighborhood concerns and interests.
- # Three Community Wide workshops held, one at Symmes Hospital (July), two at Town Hall (August and September); over 200 people attended each workshop.
- # New web site developed and put on-line in July, www.symmesarlington.org.
- # Physical Inventory; urban design analysis; economics study; structure analysis and use study underway under management of VHB.
- # Symmes Advisory Committee use-focused Working Groups made priority recommendations to VHB, and these have been presented to the Committee and are on the Web-site, www.symmesarlington.org.
- # VHB, SAC and ARB developing detailed use alternatives for Symmes Campus and plan Public Hearing on Alternatives Dec 3, 2002 at Arlington High School Lowe Auditorium.
- # The SAC, together with its eight Working Groups, and in several joint meetings with the Arlington Redevelopment Board, has held over 100 public meetings. The SAC has held forty directly; the balance have been held by its various working groups.

- # Report on activities and Financial Status provided to Town Meeting November 6, 2002.

4 Commentary:

Overall, the project is progressing close to schedule and is under budget. Mr. McClennen has separately reported that through his efforts the Town has achieved substantial reductions in operating expenses. Since the SYMMES HOSPITAL REUSE AND FEASIBILITY PLAN is operated by the Arlington Redevelopment Board under Chapter 121B of the laws of the Commonwealth, operating expenses, capital expenses, debt service and revenue are treated as an enterprise, and as such current debt service on Bond Anticipation Notes is being funded by the enterprise. A timely disposition of the project may avoid direct support of the project by the exempt tax levy, although there is no assurance that this will be the case.

The Symmes Advisory Committee project with VHB is also on schedule, and under the estimated cost for project consulting although there have been several changes in scope for the project. The first change was to cover the cost of additional meetings, that is more public meetings than were anticipated. The second change was to include the development of a three-dimensional model to aid the consulting team, the SAC, the ARB, neighbors and abutters and the Town at large in understanding the scope, density and impact of proposed development alternatives. Both the SAC and the ARB agreed that these changes would help the overall project move forward more efficiently and insure a greater degree and quality of community participation.

The third change arose from the daunting economics of medical service delivery in 21st century America. Several factors, including 1) current Arlington demographics, 2) the complex economic interaction and competition among Lahey Clinic, Mt. Auburn Hospital, Winchester Hospital and the leading Boston area teaching hospitals, 3) the affiliation of most local physicians with a local hospital, and 4) state and federal regulatory controls on both delivery methods and payer systems make the expansion of medical services at the site an intimidating if not intractable problem. The SAC and ARB decided, upon the recommendation of the Medical Uses Working Group, that additional resources were

required to rationally address this issue. Even with these additional resources, there is a strong possibility that the problem will remain intractable.

The initial budget for the contract with VHB was \$200,000. With the changes in scope we estimate that the cost will rise by an additional \$50,000.

5 Current Status:

The Committee is now evaluating several alternative concepts with VHB as they are developed. Each day and each week, these concepts progress closer to the state of a potential recommended use plan. The Arlington Redevelopment Board, neighbors and abutters, and the SAC working Groups on Medical, Commercial, Residential and Public Uses are all involved and contributing.

5.1 Evaluation of alternative Scenarios

Seven alternatives (see attached) for the Symmes Hospital site reuse were presented by VHB at the December 12, 2002 Symmes Advisory Committee (SAC) meeting. At the December 12 meeting, the SAC narrowed the seven alternatives down to three, as described below. The VHB team is conducting detailed assessments of the three alternatives in terms of architecture and urban design, construction costs, provision of infrastructure, transportation impacts, environmental considerations and market/financial conditions. VHB is currently scheduled to present the assessments of the alternatives on January 9, 2003.

Please note that in order for each of these alternatives to be "revenue neutral," as required in the Selectmen's Mandate for the reuse plan, the densities currently shown in the alternatives will most likely change. When the construction costs for each of the alternatives are input into a specially developed sophisticated financial model (a sample output summary is attached), the amount of development required for the project to financially "break even" may need to be modified. Additional changes in density may occur as site layouts are further evaluated in terms of construction feasibility. Also, the amount of affordable housing units included in each of the alternatives will be further refined as the assessments are developed. The SAC intends that its recommendations for affordable housing will comply with the Selectmen's policy and Town by-laws.

The following sections describe the three alternatives that will be further developed by VHB at the direction of the SAC. This information is presented for the Board's reference and background information.

5.1.1 New Alternative 1

A consolidation of Alternatives 1 and 2 into a predominantly residential program, using the program for the 'Top' and 'The Ridge' as shown in both alternatives. This alternative will also consider a different road alignment, where Hospital Road intersects Summer Street aligned with the private road further to the east (between Brattle and Grove Streets).

5.1.2 New Alternative 2

The alternative is a further refinement of Alternative 3B. The alternative will include a site layout that preserves the public space in the "Overlook" and provides as much commercial (office, medical, R&D) development that can be provided without developing a parking structure (three parking spaces are required for each 1,000 square feet of commercial development). This alternative will also consider a different road alignment. Note: Alternative 3A was not selected by the SAC because the parking structure would be cost prohibitive and was also not felt to be a suitable use.

5.1.3 New Alternative 3

This is a consolidation of Alternatives 4 and 5A. From Alternative 4, the program for the 'Overlook' area will be incorporated. From Alternative 5A, the Community Park will be included at the 'Top,' and Mixed Income

Housing will be located along 'Summer Street.' 'The Ridge' will include the Wellness Center and reuse of the Nurses Building for medical offices.

5.2 Preliminary Report by Applied Management Systems

On December 16th AMS gave a preliminary presentation to a joint meeting of the Arlington Redevelopment Board and the SAC. The AMS review of local demographics, available medical services and economics, and potential interest by a wide sampling of local and national non-profit and for-profit service providers indicated that a revival of urgent care services, and even ambulatory/surgical care services at Symmes was not a high probability. AMS did indicate that expansion of physicians offices, preventive care services and wellness center resources was a likely possibility, but given current economic conditions, not necessarily certain.

5.3 Comments on Existing Hospital Building

VHB's architectural experts have indicated that most of the current hospital buildings do not offer optimal reuse choices; in fact, they offer choices that are far from optimal. Their general observation has been that any direct reuse of the current buildings for either residential or office use may well result in expensive and less than competitive property. This is a clear disadvantage in a commercial market that is suffering from a large oversupply. It is also a disadvantage as the Town tries to recover its high cost base in a residential market that may be softening over the next few years. As a result of both the AMS reports and the architectural analyses, most of the scenarios considered by VHB have included demolishing and replacing all or most of the current hospital buildings.

6 Future Activities:

We plan to have a public meeting in early February to provide a preliminary presentation of these alternatives as they look after close evaluation through environmental, neighborhood and financial impact analysis. Town Meeting members and citizens across Arlington will be invited to this meeting (as they are invited to all our regularly scheduled Committee meetings). There will be one or more meetings following the February public meeting, and a formal presentation to Town Meeting at a date as yet undetermined. At that presentation to Town Meeting, Town Meeting Members will have the opportunity to approve or reject the proposed changes to the Urban Renewal Plan, zoning regulations and other land use restrictions contemplated for the proposed uses. It is the intention of the SAC that these restrictions will be tight enough to conform to the Selectmen's objectives, and broad enough to allow the Arlington Redevelopment Board to implement a successful reuse plan. Only after Town Meeting approval will the Redevelopment Board be in a position to proceed with the development.

The summary schedule, with accomplishments and status to date, is attached.

Respectfully submitted,

Charlie Foskett, Chairman
Symmes Advisory Committee

Alan McClennen
Director of Planning

7 Event Plan Status:

Event Plan Date	Activity	Status
16-Jan-02	Town Meeting vote to purchase property.	Complete
4-Feb-02	Department submits Urban Renewal Plan documentation to State Department of Housing & Community Development for sixty-day review period.	Complete
Apr-02	State Department of Housing & Community Development approves Urban Renewal Plan, Town floats bond issue for acquisition	Complete
1-Apr-02	Redevelopment Board and Symmes Advisory Committee approve text of RFP	Complete
3-Apr-02	Notice to Central Register for notification to potential consultants	Complete
8-Apr-02	Notice published in Goods and Services Bulletin.	Complete
11-Apr-02	Notice published in The Arlington Advocate.	Complete
25-Apr-02	Bidders' conference, 10 a.m., 1st floor conference room @ Town Hall	Complete
9-May-02	Proposals due at Purchasing @ Town Manager's Office at 11:00 a.m.	Complete
23-May-02	Short list of consultants selected.	Complete
4-Jun-02	Consultant interviews.	Complete
6-Jun-02	Consultant interviews.	Complete
13-Jun-02	Consultant selection.	Complete
20-Jun-02	Consultant under contract.	Complete
July & Aug., 2002	Facilitated outreach sessions.	Complete
Oct-02	Consultant presents selected development alternatives to	In process
Oct., Nov. 2002	SAC recommends preferred development alternatives.	Planned February/March
Dec-02	Revised Urban Renewal Plan prepared for Town Meeting.	Planned April
Jan-02	(Action, and if necessary, submittal to DHCP.)	Planned April/May
Jan. & Feb. 2003	Special Town Meeting to receive report and amend Urban Renewal Plan, if necessary.	Planned April/May
Apr-03	Development RFP prepared for distribution.	Planned
Jun-03	ARB receives development proposals.	Planned
Aug-03	Select developer(s).	Planned
Sep-03	ARB executes land disposition agreement with developer(s).	Planned
Oct.-March 2004	Permitting sale or lease to develop.	Planned
Jun-04	Construction.	Planned

8 Meetings Scheduled:

1/9/03 SAC Meeting	7:00 PM – 9:00 PM	Symmes Hospital Cafeteria
1/23/03 SAC Meeting	7:00 PM – 9:00 PM	Symmes Hospital Cafeteria
2/13/03 Public Hearing on Alternatives	7:00 PM – 10:00 PM	Town Hall Meeting Not yet Confirmed

Symmes Hospital

Autumn

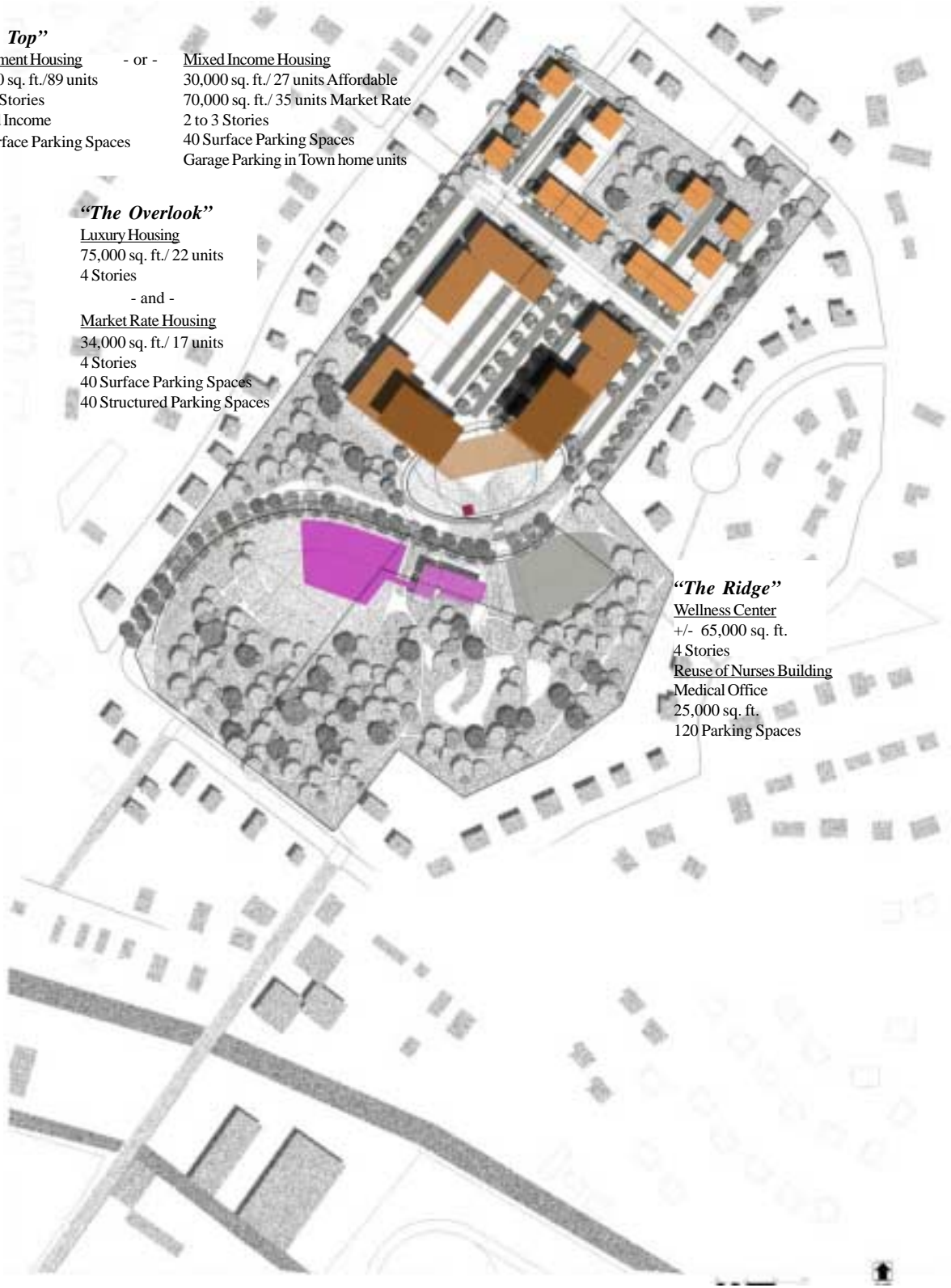


“The Top”

<u>Retirement Housing</u> 89,000 sq. ft./89 units 2 to 3 Stories Mixed Income 40 Surface Parking Spaces	- or -	<u>Mixed Income Housing</u> 30,000 sq. ft./ 27 units Affordable 70,000 sq. ft./ 35 units Market Rate 2 to 3 Stories 40 Surface Parking Spaces Garage Parking in Town home units
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“The Overlook”

<u>Luxury Housing</u> 75,000 sq. ft./ 22 units 4 Stories	- and -	<u>Market Rate Housing</u> 34,000 sq. ft./ 17 units 4 Stories 40 Surface Parking Spaces 40 Structured Parking Spaces
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“The Ridge”

Wellness Center
+/- 65,000 sq. ft.
4 Stories
Reuse of Nurses Building
Medical Office
25,000 sq. ft.
120 Parking Spaces

Alternative 1

Draft 12/12/02



Symmes Hospital *Autumn*



“The Top”

Retirement Housing - or -
100,000 sq. ft./116 units
2 to 3 Stories
Mixed Income
60 Surface Parking Spaces

Mixed Income Housing
32,000 sq. ft./ 22 units Affordable
68,000 sq. ft./ 34 units Market Rate
2 to 3 Stories
60 Surface Parking Spaces
Garage Parking in Town home units

“The Overlook”

Luxury Housing
100,000 sq. ft./ 20 units
4 Stories
- and -
Market Rate Housing
100,000 sq. ft./ 50 units
4 Stories
120 Surface Parking Spaces
30 Structured Parking Spaces



“The Ridge”

Wellness Center
+/- 65,000 sq. ft.
4 Stories
Reuse of Nurses Building
Medical Office
25,000 sq. ft.
120 Parking Spaces

Alternative 2

Draft 12/12/02



Symmes Hospital

Autumn

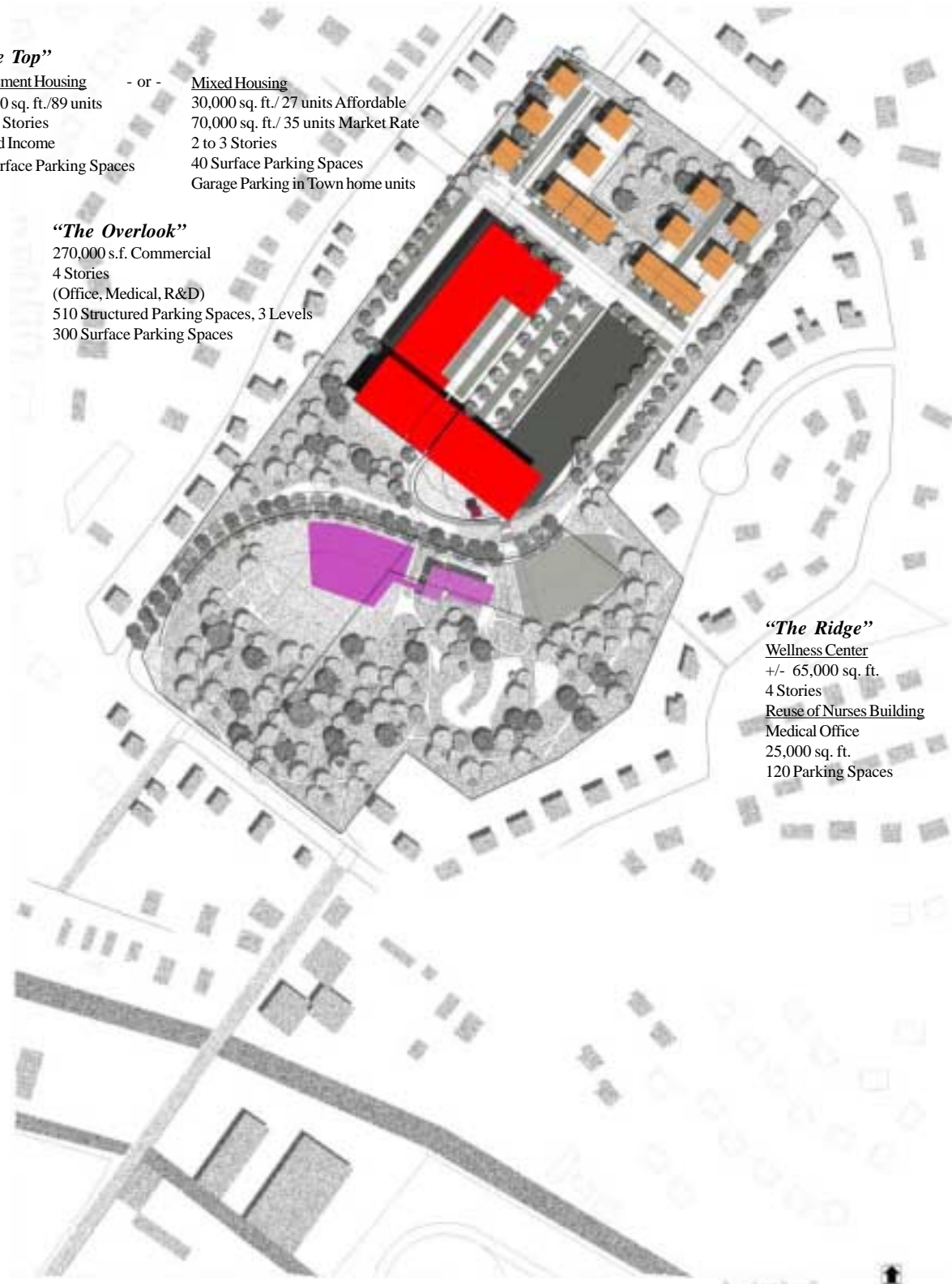


“The Top”

<u>Retirement Housing</u>	- or -	<u>Mixed Housing</u>
89,000 sq. ft./89 units		30,000 sq. ft./ 27 units Affordable
2 to 3 Stories		70,000 sq. ft./ 35 units Market Rate
Mixed Income		2 to 3 Stories
40 Surface Parking Spaces		40 Surface Parking Spaces
		Garage Parking in Town home units

“The Overlook”

270,000 s.f. Commercial
4 Stories
(Office, Medical, R&D)
510 Structured Parking Spaces, 3 Levels
300 Surface Parking Spaces



“The Ridge”

Wellness Center
+/- 65,000 sq. ft.
4 Stories
Reuse of Nurses Building
Medical Office
25,000 sq. ft.
120 Parking Spaces

Alternative 3A

Draft 12/12/02



Symmes Hospital

Autumn

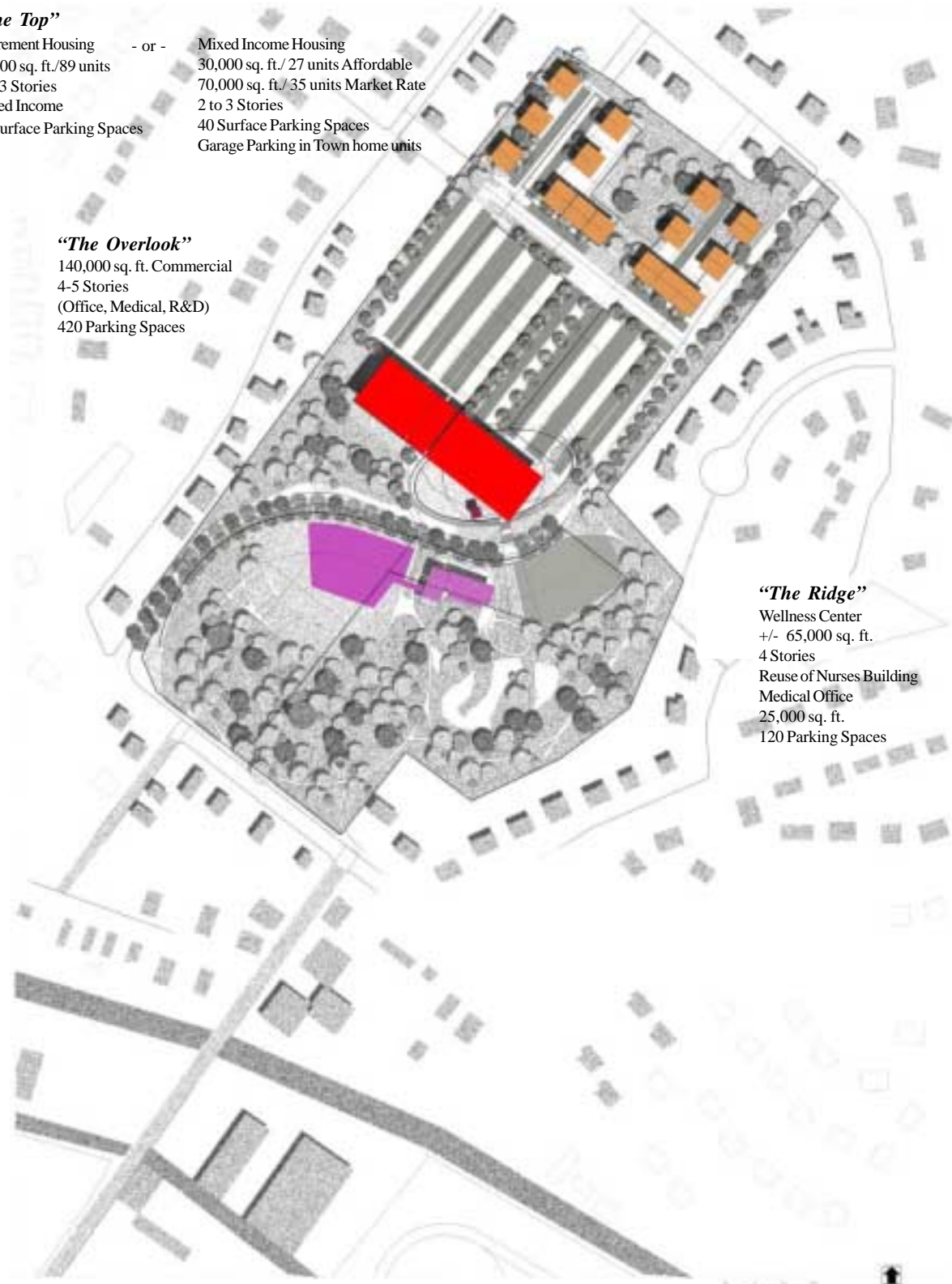


“The Top”

Retirement Housing	- or -	Mixed Income Housing
89,000 sq. ft./89 units		30,000 sq. ft./ 27 units Affordable
2 to 3 Stories		70,000 sq. ft./ 35 units Market Rate
Mixed Income		2 to 3 Stories
40 Surface Parking Spaces		40 Surface Parking Spaces
		Garage Parking in Town home units

“The Overlook”

140,000 sq. ft. Commercial
4-5 Stories
(Office, Medical, R&D)
420 Parking Spaces



“The Ridge”

Wellness Center
+/- 65,000 sq. ft.
4 Stories
Reuse of Nurses Building
Medical Office
25,000 sq. ft.
120 Parking Spaces

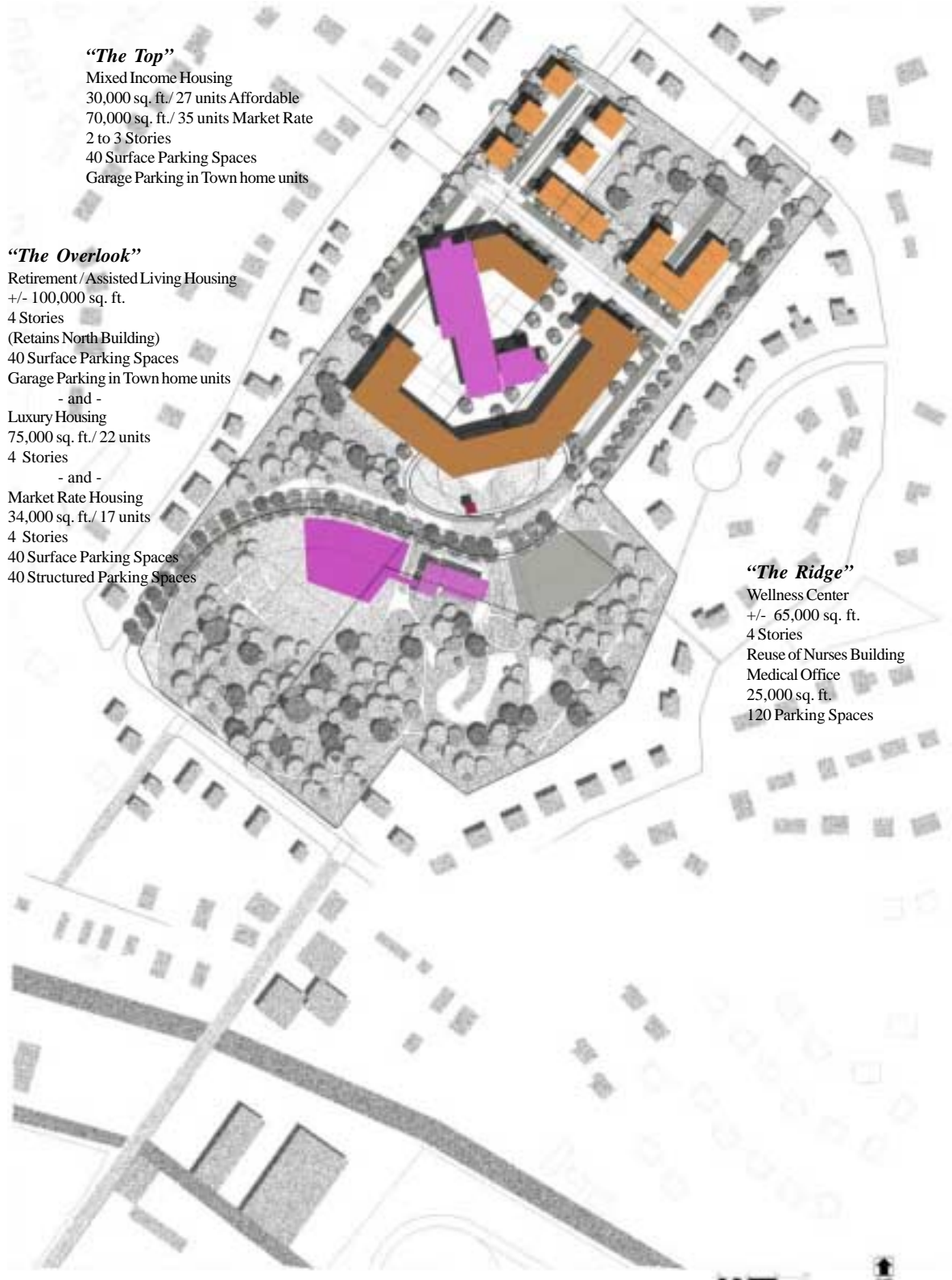
Alternative 3B

Draft | 2/12/02



Symmes Hospital

Autumn



“The Top”
Mixed Income Housing
30,000 sq. ft./ 27 units Affordable
70,000 sq. ft./ 35 units Market Rate
2 to 3 Stories
40 Surface Parking Spaces
Garage Parking in Town home units

“The Overlook”
Retirement / Assisted Living Housing
+/- 100,000 sq. ft.
4 Stories
(Retains North Building)
40 Surface Parking Spaces
Garage Parking in Town home units
- and -
Luxury Housing
75,000 sq. ft./ 22 units
4 Stories
- and -
Market Rate Housing
34,000 sq. ft./ 17 units
4 Stories
40 Surface Parking Spaces
40 Structured Parking Spaces

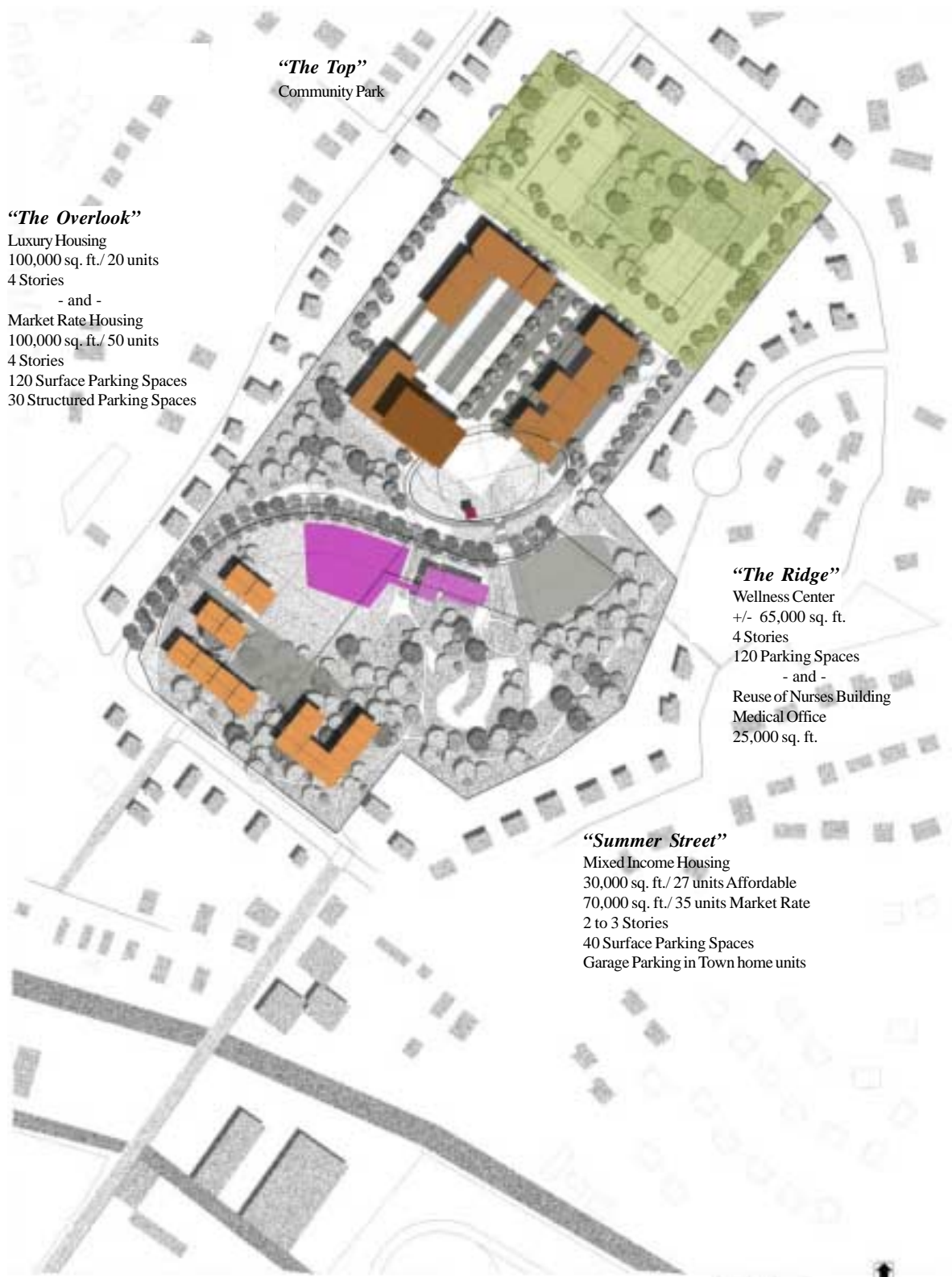
“The Ridge”
Wellness Center
+/- 65,000 sq. ft.
4 Stories
Reuse of Nurses Building
Medical Office
25,000 sq. ft.
120 Parking Spaces

Alternative 4

Draft 12/12/02



Symmes Hospital *Autumn*



“The Top”
Community Park

“The Overlook”
Luxury Housing
100,000 sq. ft./ 20 units
4 Stories
- and -
Market Rate Housing
100,000 sq. ft./ 50 units
4 Stories
120 Surface Parking Spaces
30 Structured Parking Spaces

“The Ridge”
Wellness Center
+/- 65,000 sq. ft.
4 Stories
120 Parking Spaces
- and -
Reuse of Nurses Building
Medical Office
25,000 sq. ft.

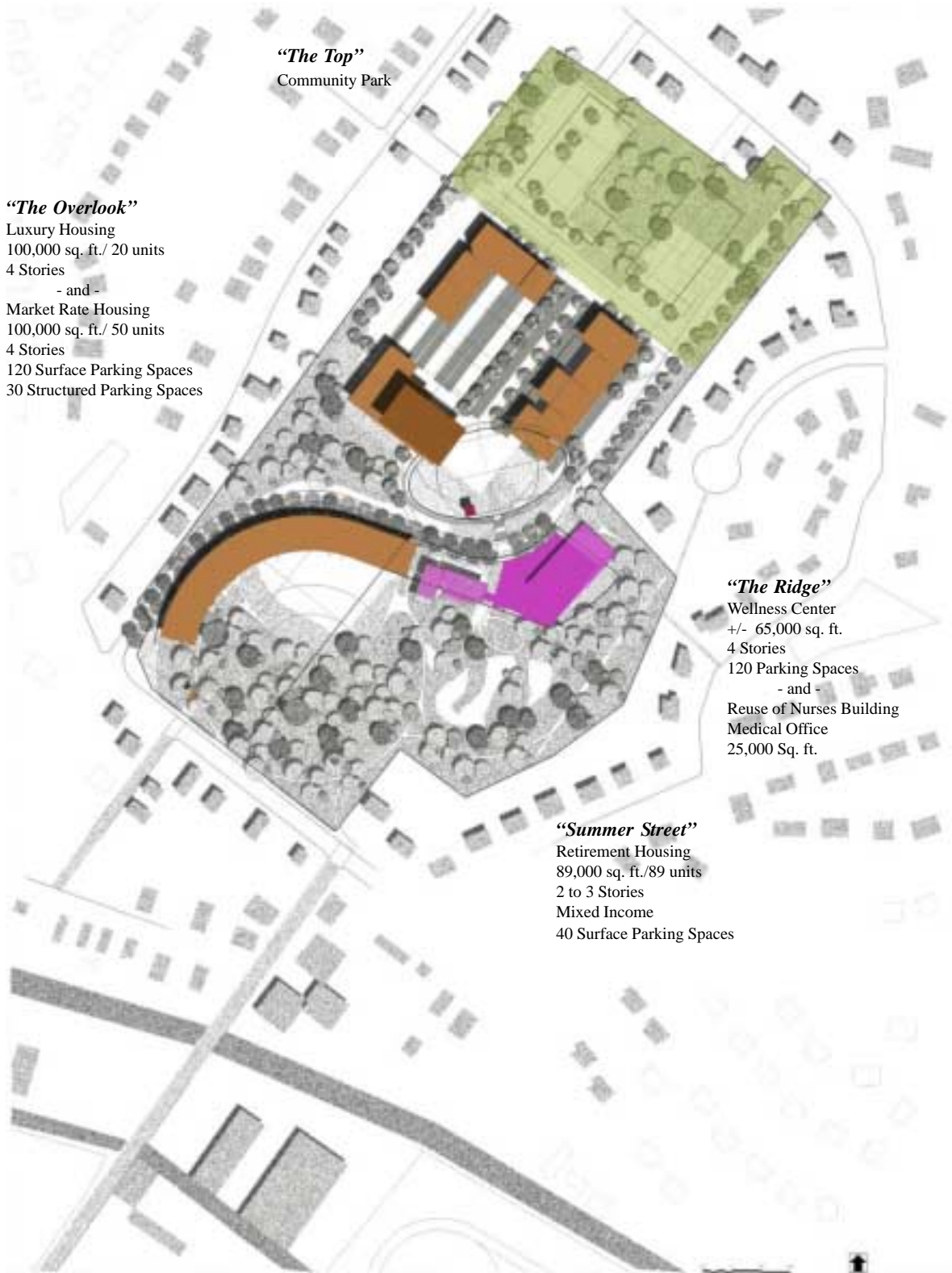
“Summer Street”
Mixed Income Housing
30,000 sq. ft./ 27 units Affordable
70,000 sq. ft./ 35 units Market Rate
2 to 3 Stories
40 Surface Parking Spaces
Garage Parking in Town home units

Alternative 5A

Draft 12/12/02



Symmes Hospital *Autumn*



Alternative 5B

Draft 12/12/02



Development Program Summary		Mixed Resid	Comm Med	Infr Reuse	Variation
Distribution of Uses		Gross Building Area (SF)			Low to High
Residential		299,900	205,000	312,900	107,900
Medical [1]		90,100	90,000	90,000	-
Class A Office		-	140,000	-	140,000
Public [2]		-	-	-	-
Total		390,000	435,000	402,900	32,100
Estimated SF Demolished		175,000	175,000	175,000	-
Distribution of Residential SF					
"Luxury" Units		101,560	104,990	87,610	17,380
Market Rate Housing		168,100	68,000	132,570	64,570
Low/Moderate Income		21,840	21,820	19,630	2,190
Very Low Income		8,400	10,180	8,410	1,770
Other (Retirement)		-	-	34,700	34,700
Total		299,900	204,990	312,920	10,030
Distribution of Public Spaces					
Wellness Center (Scenario III) [2]		-	30,000	30,000	30,000
Public Overlook/Park		-	33	Yes	Yes
Columbarium		-	103	Yes	Yes
Distribution of Retirement Units					
"Luxury" Units		29	30	25	5
Market Rate Housing		84	34	65	31
Low/Moderate Income		15	15	14	1
Very Low Income		7	7	6	1
Retirement/Assisted Living		-	-	76	76
Total		135	86	110	38
Percent "Affordable" Units		16%	26%	18%	8%
Other (Retirement Housing) [3,4]		-	-	-	-
Real Estate Impacts					
Millions of 2002 Constant Dollars					
Total Construction Cost (Millions Constant \$)		\$ 68.9	\$ 79.8	\$ 68.6	\$ 11.2
Project Cost to Town (Including Debt Service)		\$ (13.3)	\$ (17.3)	\$ (5.1)	\$ 12.2
Net Real Estate Sale Proceeds		\$ 14.0	\$ 10.7	\$ 17.0	\$ 6.3
Average Residential Selling Price (Luxury & Market Rate Units)					
		\$ 655,953	\$ 742,268	\$ 470,706	\$ 271,562
Millions of 2002 Constant Dollars					
Fiscal Impacts					
Cumulative 25 Year Net Fiscal Impact From New Development					
		\$ 18.66	\$ 21.30	\$ 20.45	\$ 1
Cumulative Net Proceeds:		\$ 5,361,830	\$ 3,999,338	\$ 15,347,328	\$ 11,347,989

NOTES:

- [1] Medical use under Scenario III and III-B is assumed to be a commercially operated "Wellness Center"
- [2] Community center under Scenario III becomes space within a proposed "Wellness Center" that also includes medical care providers.

[3] Retirement housing is also likely to generate some additional on-site "medical" employment

[4] A percentage of retirement units could also be affordable. Scenario III and III-B do not include a specific allocation at this time.

