

Report of the Arlington Redevelopment Board to the Special Town Meeting April 27, 2005 (postponed to May 9, 2005)

Below the Board shows Warrant Article 2 on which it is required to issue a recommendation. The article is briefly explained and is followed by the Board's vote. The Board's vote was unanimous. Town Meeting members should take particular note that the recommendation of the Redevelopment Board, not the original warrant article, is the motion that will be considered by the Town Meeting.

The recommended vote shown in this report differs slightly from the warrant article. The changes were made because a comma that must be removed was left out of the warrant and because testimony convinced the Board that the phrase "only when" should be left in the Bylaw.

The Arlington Redevelopment Board held a public hearing on April 26, 2005. The revisions to the language of the article shown below also reflect the testimony received at the hearing.

In the vote and the illustration of the amended bylaw sections below, <u>underlined text</u> indicates additions and struck through text indicates deletions.

ARTICLE 2

ZONING BYLAW AMENDMENT

This article was submitted by the ARB and proposes to remove language from the Zoning Bylaw that was inserted at the Special Town Meeting last September. As part of the zoning changes proposed by the ARB in order to enable the proposed development of the former Symmes Hospital site, a new zoning district was created and it was described in Section 3.02 of the Bylaw. A floor amendment was proposed which inserted the words "and must include a significant medical use component" into the description.

It is believed that this phrase was very important to Town Meeting members and that it gave some assurance that there would be a medical use at the site. The phrase however has had the exact opposite effect because financial institutions have stated flatly that they will not finance the purchase of a medical office building in the district with that language in the bylaw.

The problem as financial institutions see it is that the language requires that there must be a medical use in the district. If there is only one medical use (as is proposed) and the medical market causes the use to become unviable, no other use could be made of the building. The financial institution that holds the mortgage would then have a building that no one could use.

The problem extends even to the residential portion of the proposed development. E. A. Fish approached financial institutions about financing the purchase of the residential condominiums

assuming that the medical use existed. Counsel for the financial institutions indicated that they would not finance even the residential portion because of the "ambiguous language" in the Zoning Bylaw.

The Town and the developer have expended enormous effort to attract a medical use to the site and the developer is about to issue a request for proposals from medical service providers. The process cannot proceed, however, if the providers cannot obtain financing for their operation on the Symmes site.

Those who were comforted by the inclusion of this phrase, may be reluctant to have it removed. To those, we point out the other controls on the project:

- 1. The Board of Selectmen's official policy statement of March, 2001 committed to "expanded health care services on the site."
- 2. The Symmes Advisory Committee Report to Town Meeting of April 2003 stated that "Expansion of medical or healthcare uses on the site is highly desired."
- 3. There is the requirement to create a medical use or pay a half million dollar penalty in the Land Disposition Agreement which is the contract between the ARB and the Developer.
- 4. The Town Meeting passed a resolution last September which requires that if a medical use cannot be created on the site, Town Meeting will decide what should become of the portion of the site designated for the medical use.

We also point out that the developer has applied for the special permit needed to construct the medical office building. The ARB has held two nights of public hearings on the permit and has a third night scheduled on May 10th. The developer proposes to rehabilitate the nurses residence building on the site to create a 26,000 square foot medical office building. The proposal is designed so that it can be expanded to 40,000 square feet.

In the recommended vote, the ARB decided that it did not need to remove the words "only when" as was printed in the warrant.

VOTED:

That the Town vote to amend the Zoning Bylaw in Article 3, Section 3.02, Description of Zoning Districts in the definition of the Multi-Use district in the second sentence by deleting the words, "and must include a significant medical use component" and in the third sentence by deleting the words, "only when".

AMENDED BYLAW SECTION

Section 3.02 - Description of Zoning Districts

. . .

MU-Multi-Use

The Multi-Use District is composed of all those areas so designated on the official zoning map. Districts must contain at least one acre, and must include a significant medical use component. The district allows larger scale development only when controlled by the Arlington Redevelopment Board through urban renewal plans and Environmental Design Review.