

PRELIMINARY REPORT

May 9, 2018 Annual Town Meeting

Article 21

SMART GROWTH DISTRICT – NEWTON STREET SGZD

Article PB 21: To see if the Town will vote to amend in the Zoning By-Law Article IV Districts Subsection 255-15 Overlay Districts, by including an Overlay District entitled Newton Street Smart Growth District; Article VII Supplemental District Regulations, Subsection 255-123 South Hadley Smart Growth Districts by inserting a new Subpart (C) Newton Street Smart Growth District, (pursuant to M.G.L. Chapter 40R and 760 CMR 59.00 and M.G.L. Chapter 40S) as detailed in the Planning Board’s Report to Town Meeting or take any other action relative thereto. (PB) Appendix “G” (also available in the Planning Department Office).

The changes to be made in the Zoning Bylaw are as follows:

1. Amend Section 255-15 of the South Hadley Zoning Bylaw by adding the following:

E. Newton Street Smart Growth District. The purposes of this district are as stated in Section 255-23.

2. Amend Section 255-23 Smart Growth Zoning Districts; by inserting the following Subpart (C) “(C) Newton Street Smart Growth District (NSSGD) to read as follows:

C. Newton Street Smart Growth Zoning District (NSSGZD)

(a) Establishment and Delineation of the NSSGZD - The NSSGZD is an overlay district that is superimposed over the Underlying District. The boundaries are delineated as the "Newton Street Smart Growth Zoning District" on the Official Zoning Map of the Town of South Hadley on file in the office of the Town Clerk, said map hereby made a part of the South Hadley Zoning Bylaw.

(b) Allowed and Prohibited Uses - Any Use not listed herein as an Allowed Use is deemed prohibited.

[1] Allowed Uses - The following Uses shall be permitted As-Of-Right in the NSSGZD upon Plan Approval pursuant to the provisions of this Section 255-23:

[a] Multi-Family Dwelling

[b] Mixed-Use Development Project

[b-1] Multi-Family Dwelling

[b-2] Single-Family, Two-Family and Three-Family Dwelling*

[b-3] Office *

[b-4] Retail *

[b-5] Restaurant (excludes drive-through windows)*

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[b-6] Institutional *

[b-7] Consumer Service *

*Only as part of a Mixed-Use Development; see Section 255-23(A)(5)

In addition to the Allowed Uses listed above, the following Uses are permitted As-Of-Right for Development Projects within the NSSGZD subject to the requirements of this Section 255-23:

[g] Parking Accessory to any of the above permitted Uses, including surface, garage-under, and structured parking

[h] Accessory Uses customarily incidental to any of the above permitted Principal Uses

(c) **Dimensional and Other Requirements** - Applications for Plan Approval shall be governed by this Section and the Design Standards for the NSSGZD.

Dimensional Requirement	
Maximum Building Height	4 stories or 65 feet, whichever is less
Minimum Lot Frontage	N/A***
Maximum Lot Coverage	N/A***
Minimum Lot Area	N/A***
Number of Buildings per Lot	N/A***
Maximum Building Frontage	300 feet
Minimum Front Setback	N/A***
Minimum Side/Rear Setback abutting a Residential Zone	20 feet
Minimum Side/Rear Setback when abutting a parcel with an existing Single Family Dwelling	20' for that portion of a Structure not exceeding two (2) stories 50' for that portion of a Structure exceeding two (2) stories
Minimum Side/Rear Setback in NSSGZD or abutting Business-A	20 feet
***No requirement or limitation applies	

[1] **Residential Density Allowances** - The minimum Multi-Family Residential density shall be 20 units per acre and the maximum Multifamily Residential Density shall be 24 units per acre for all Lots and all Buildings. The Single-Family Residential Density shall be a maximum of up to 8 units/acre and Two-Family and Three-Family Residential Density shall be a maximum of up to 12 units/acre.

[a] The Planning Board may provide a waiver, including permitting a density of less than 20 units per acre for Multi-Family, as specified in Section A(10) to promote the renovation or adaptive reuse of existing Buildings.

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- [2] Contiguous Lots - In the NSSGZD, where two or more Lots are contiguous or are separated by a right-of-way, such Lots may be considered as one Lot for the purpose of calculating maximum Lot coverage; parking requirements; minimum useable open space; and Dwelling Units per acre.
- [3] Age-Restricted Housing Units - An Applicant may propose a Residential or Mixed-Use Development Project in which all Dwelling Units are designed for or are accessible to the elderly or the handicapped under all applicable laws and regulations, provided that not less than twenty-five percent (25%) of the housing units in any such Development Project shall be Affordable Units. All such Development Projects shall be governed by the requirements of this Section 255-23 and the Design Standards.

EXISTING PROVISIONS

There are no existing provisions being revised. Rather, as noted above, the new overlay district and its purpose is being added to Subsection 255-15 and a new Subpart (C) is being inserted into Subsection 255-15.

OBJECTIVE: The objectives of article are

- 1) To encourage development of new housing units and mixed-use developments in South Hadley supportive of the Town’s housing and economic redevelopment efforts.
- 2) Further the Town’s efforts to promote sustainable development consistent with the Town’s Master Plan.
- 3) Promote development of a diversified housing supply.

SUMMARY: This article fulfills the objectives stated above by establishing the Town’s second “Smart Growth District” under the State’s Chapter 40R program.

BACKGROUND: The amendment proposed in this warrant article is a continuation of the Town’s efforts to facilitate revitalization of our commercial core areas and implementing our adopted housing strategies. And, it is yet another result of several years of work with the Pioneer Valley Planning Commission dating back to early 2013. As with the Town’s first Smart Growth District, the basis for the proposal dates back to the 2010 Master Plan which identified “Invest in the Route 116/Route 33 Commercial Focus Area as a mixed-use center” as one of the plans Five Core Initiatives and Sustainability as one of the plan’s Guiding Principles (see section “Relationship to Master Plan” below).

Benefits of a Smart Growth Zoning Overlay District

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As noted in 2015 when Town Meeting approved the South Hadley Falls Smart Growth District, there are a variety of reasons to develop and adopt a Smart Growth Zoning Overlay District approved under the 40R program. Among the benefits are:

- o Sustainable development: Encouraging development where infrastructure already exists is a sustainable approach to development.
- o Development guidance: Tells developers where the community wants more intense residential development.
- o Revitalization: Supports downtown and commercial center revitalization and redevelopment.
- o Grants: Smart Growth Districts are given points on various grant applications.
- o Financial: The State provides financial incentives for adopting a Smart Growth Zoning Overlay District in the form of a one-time payment upon final approval of the district by the State and Incentive Payments for every dwelling unit permitted under the Overlay District. The One-Time payment has been estimated to be \$350,000 for South Hadley.
- o 40B Safe Harbor: Communities with less than 10% of their housing supply considered “affordable” under the State’s Subsidized Housing Inventory list are subject to private developers applying for a Comprehensive Permit which could ignore the local zoning and other regulations. The state has rejected some requests for Project Eligibility Letters from such developers where the community has adopted a Smart Growth Overlay District and is showing activity to develop housing in the district.

Smart Growth Zoning Overlay District Act – 10 years of experience

The Smart Growth Zoning Overlay District Act was enacted by the State in 2004 to encourage communities to create dense residential or mixed-use smart growth zoning districts, including a high percentage of affordable housing units, to be located near transit stations, in areas of concentrated development such as existing city and town centers, and in other highly suitable locations. Since the program was developed, many communities across the Commonwealth have created these Smart Growth Overlay Districts and utilized the tools they offer to facilitate the type of development they desire to occur in places they want it occur.

At least 33 communities (including South Hadley) across the state have created and obtained State approval of Smart Growth Overlay Districts under the Chapter 40R program. Several communities have created at least two such districts. To date, over 2,400 dwelling units have been permitted under the Smart Growth Zoning Districts.

In addition to the South Hadley Falls Smart Growth District, additional Smart Growth Overlay Districts in the Pioneer Valley Region include districts in Chicopee, Easthampton, Holyoke,

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Ludlow, Northampton, and Westfield. So, this is not a new program. Rather, it is a program with some history and solid experience – both with the region and across the State.

Criteria for a Smart Growth Overlay District

To be approvable, overlay Districts must be located near transit stations, in existing city and town centers, commercial districts, and other Areas of Concentrated Development, and in other eligible Smart Growth locations. A “transit station” includes a bus stop. After thorough analysis of the South Hadley Falls area and a site visit by representatives of the Department of Housing and Community Development, a portion of the South Hadley Falls area was determined to be eligible for designation due to its proximity to transit service and the concentrated area of development standards.

Process for Obtaining Approval of a District

Creation of a Smart Growth Overlay Zoning District under Chapter 40R, MGL requires planning and lots of data analysis. Thus, the Town utilized the services of the Pioneer Valley Planning Commission (PVPC) under a Technical Assistance Grant to undertake this effort. The steps in this process are as follows:

- 1). The “chief executive” of the Municipality or designee must hold a public hearing on whether the provisions of the proposed Smart Growth Zoning shall be adopted by the Municipality.
- 2). The town then submits its SGZ Application to DHCD for their “Preliminary Determination of Eligibility” (an informal, non-adjudicatory procedure). The process can take up to 90 days.
- 3). Once DHCD has given their final approval - for the Preliminary Determination of Eligibility” - the town then goes through the normal zoning adoption process.
- 4). Once adopted by Town Meeting, the town submits proof of adoption to DHCD (including showing any changes required in their Letter of Eligibility).
- 5). DHCD reviews the submission and issues its final approval (a non-expiring Letter of Approval).

Thus, before the first step – the hearing by the “chief executive” – a draft proposal for a district needed to be developed. During 2016-2017, the PVPC staff, Planning Director, and Planning Board developed such a proposal.

The Town Administrator, as Chief Executive of the Town, held public hearings on July 11, 2017 and August 31, 2017. Notices of the August 31, 2017 public hearing were mailed to each of the abutters and owners of the proposed included properties as well as the required publishing and

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posting of the notice. Both public hearings were very well attended with many persons asking questions and making comments regarding the proposal. As a result of comments received during the July 11, 2017 public hearing, the boundaries of the proposed district were reduced.

The application for a Preliminary Determination of Eligibility was submitted to the DHCD in December 2017. Over the course of the past four months, the Planning Director and the staff of the PVPC worked with the DHCD staff to make revisions to the submittal to address the statutory requirements and the DHCD staff concerns and comments. This process involved review of the details of the proposed Zoning Bylaw amendment as well as further analysis of the individual parcels within the proposed district boundaries.

A Preliminary Determination of Eligibility for the proposed Newton Street Smart Growth Zoning District was issued by the DHCD on April 5, 2018 (see attached letter). Subsequently, the Planning Board, PVPC staff, and Planning Director began the third step in the process – the normal zoning adoption process. A public hearing will be held on April 30, 2018.

If Town Meeting approves the proposed amendment, the Newton Street Smart Growth District could receive final State approval by this Fall.

Proposed Zoning Bylaw Amendment

As noted in 2015, a Smart Growth Zoning Overlay District must be an all-inclusive zoning provision to be approved under Chapter 40R procedures. By this, we mean that it cannot rely upon any provision outside of the Smart Growth Overlay District provisions. Therefore, all the definitions, development standards, use allowances, etc. applicable to development under the Overlay District must be contained within the specific section of the Zoning Bylaw.

With the action taken by Town Meeting in January 2018 and proposed under Article 20 of the May 2018 Annual Town Meeting, all of the “Generally applicable” provisions for a Smart Growth District have already been adopted and incorporated into a separate section of the Zoning Bylaw (Section 255-23). Therefore, the amendment needed for the Newton Street Smart Growth District is much less cumbersome than it was for the South Hadley Falls Smart Growth District and only has three parts:

- Establishment of the district
- Regulation of uses
- Dimensional requirements

Below is a brief synopsis of the three elements of the proposed Subsection 255-23(C):

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Delineation of the NSSGD. This section provides that the district is as delineated on the map. Under Article #22 of the May 2018 ATM warrant, Town Meeting will set the boundaries of the district.

Allowed Uses. Multifamily development at densities of 20 units or more per acre is at the cornerstone of the development incentive offered by a Smart Growth Zoning District under Chapter 40R. Thus, Multifamily housing is allowed by right exclusively. The following uses are also allowed by right when part of a mixed-used development:

- Multi-Family Dwelling
- Single-Family, Two-Family and Three-Family Dwelling
- Office
- Retail
- Restaurant (excludes drive-through windows)
- Institutional
- Consumer Service

Parking and accessory uses are also permitted by right as part of a Development Project under the District provisions.

Density and Dimensional Standards. Smart Growth Zoning Overlay Districts approved under 40R must allow, by right (or subject to review similar to Site Plan Review but not Special Permit or Variance), residential developments with the following minimum densities:

- Single-Family: 8 units per acre
- Two- & Three-Family: 12 units per acre
- Multi-Family: 20 units per acre

The proposed amendment utilizes these minimum density standards. However, unlike the State provisions, it sets a cap on the number of multi-family units per acre at 24. The reason for setting a cap at this level is to make clear that there is a limit to the allowed density but to also allow applicants some flexibility in design without asking for a waiver of the cap.

Similarly, the amendment provides dimensional requirements specific to the Overlay District. While these dimensional standards have some similarity to some of those of the underlying

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zoning, they generally vary from the underlying zoning, in part due to the Overlay District requirements being subject to supplemental standards and a Design Review process – similar to Site Plan Review.

RELATIONSHIP TO 2010 MASTER PLAN: There are a number of aspects of the Master Plan

Revitalization of South Hadley’s commercial core areas is s a major focus of the 2010 Master Plan – several of the Core Initiatives. Similarly, the need for more housing across all affordability tiers is the focus of an entire chapter in the Master Plan. The first and third Plan Principles and the Second and Fifth Core Initiatives relate directly to this amendment:

Managing towards our Shared Vision:

Coordinating Town actions, regulations, and investments consistently towards achieving the community's objectives and goals. This principle envisions efforts to manage town programs, budgets, and actions in a proactive way that is intentionally and thoughtfully directed towards achieving specific outcomes, and applies both to overall planning and policy and to specific actions of town departments. For example, a goal of developing a number of parcels of open space over time might suggest the coordination of complementary economic incentives, zoning bylaws, and infrastructural improvements.

Sustainability:

Promoting policies and actions that will meet the needs of the present without compromising the ability of future generations to meet their own needs. Sustainability should be understood broadly to include maintaining a long-range focus for Town actions and investments as well as the stewardship of the Town’s natural lands, parks, and public buildings. Sustainability also implies renewed attention to efficiency, or making the most of what we have, whether measured in infrastructure, energy, money, or time, or in natural resources like land and water.

The Second Core Initiative is to “Invest in the Route 116/Route 33 Commercial Focus Area as a mixed-use center” and the Fifth Core Initiative regarding “Updating the Regulatory Infrastructure to Support the Community’s Desired Outcomes” are both furthered by adopting the 40R Smart Growth District.

Core Initiative 2: Invest in the Route 116/Route 33 Commercial Focus Area as a mixed-use center

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Goal: *Actively promote redevelopment of the Route 116 / Route 33 commercial focus area as an attractive, economically vital, livable, and walkable mixed-use center for the Town, integrating residential and commercial uses.*

Route 116 forms South Hadley’s north/south spine. The Route 116/Route 33 intersection is at the center of this corridor and has emerged as a key focal point for the Town’s economic activity and future development. This area functions as an important hub of commercial activity and offers substantial potential for future reinvestment in housing, mixed-use development, traffic and landscaping improvements, and pedestrian facilities that can better connect the area to the rest of South Hadley. The desire is to create a visually appealing, walkable mixed-use center that offers business opportunities and pathway connections to surrounding neighborhoods and centers.

Core Initiative 5: Updating the Regulatory Infrastructure to Support the Community's Desired Outcomes

Goal: *Develop and adopt a modern, efficient and effective regulatory infrastructure that creates a framework for enhancing South Hadley’s community, economy, and aesthetic quality.*

To accomplish the Town’s many goals, the Town’s zoning bylaw, subdivision regulations, zoning map, and review procedures need to be reviewed and revamped to help enable desirable development, improve the business environment, allow for housing diversity, and improve the aesthetic quality of South Hadley. Updated community standards that flow from the principles, goals and recommendations of this Plan will

- *help improve housing quality and options;*
- *provide consistency and transparency to the development review process;*
- *promote infill and development that meets emerging economic models;*
- *enact design and landscaping standards that ensure that new investments improve the quality and function of South Hadley’s landscapes; and*

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- *provide historic resource standards that ensure the future of South Hadley’s iconic buildings and neighborhoods.*

In regard to these two Core Initiatives, the Plan suggests some strategies. The following suggested strategies are directly implemented by adopting this Smart Growth District:

- *Work with the Newton Street Big Y commercial center and other existing commercial establishments to encourage visually appealing and pedestrian-friendly improvements to these sites.*
- *Review and revise zoning in the target development area to encourage high density mixed use development.*
- *Encourage high-density residential development in the district, developed in a manner that encourages walking and biking to the commercial areas and onto adjacent paths and trails.*
- *Update the Zoning Bylaw*

This amendment seeks to provide another tool to make appropriate locations in South Hadley attractive for residential and mixed-use investors while ensuring development reflects the heritage of the neighborhood. Similarly, by enacting a more modern approach to permitted development, the amendment will update the Regulatory Infrastructure applicable to this portion of the Town.

The Land Use and Community Design Chapter of the Master Plan also described the area of Route 116 from Cumberland Farms to Route 33 (inclusive of all four corners) as a commercial center with a few residences interspersed. It noted that the

“Big Y Shopping Center is the dominant commercial center in this corridor. However, it has underutilized spaces and should be examined as to possible changes in the uses of the site. In addition to retail, this shopping center could also include mixed use development of residences and office space to enhance pedestrian traffic similar in concept to the Village Commons. Careful planning and design would be essential to making it attractive for investment.”

Additionally, it suggested that

“updating of the Big Y Shopping Center’s site amenities and design should make the site more pedestrian-friendly by incorporating more green space,

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landscaping, walkability and connectivity and less of an expansive asphalt character would offer substantial benefits. Enhanced signage and lighting could also reduce light glare and light trespass.”

The proposal put forth by this Article would facilitate development consistent with the above considerations including a design review process for developments utilizing the Smart Growth District, ensuring that development under the Smart Growth District complements the character of the area, and promotes mixed-used development along the principal roadways.

The Housing Chapter of the 2010 Master Plan would also be furthered by adoption of this Smart Growth District. A sustainable approach to development and a mixture of housing types across all markets is recommended in this chapter (Housing Objective 2-1, Housing Goal H-5, for examples):

Housing Objective: 2-1: Housing developments with diversity of prices and types.
Housing Goal H-5: Sustainable housing development.

PUBLIC HEARING: The Planning Board will hold a public hearing on Monday April 30, 2018. This Report will be updated following the public hearing.

RECOMMENDATION: The Planning Board, at their April 30, 2018 meeting, is scheduled to take a vote on making a recommendation on this Article. This Report will be updated regarding the Planning Board recommendation following the April 30th meeting.