

The purpose of the Case Studies Subcommittee is to study suburban centers similar to Newton Centre in order to identify examples of successful improvements as well as problems to avoid. We focused upon the Chicago metro area because early TIF (Tax Increment Financing) legislation in Illinois enabled suburban municipalities to prepare and execute plans for land assembly, public parking, and beautification amenities that were not dependent upon excessive external financing, but were financed through revenues generated by increased taxes generated within the centers themselves. In addition, we visited two suburbs of Washington, DC, one suburb of New York, and two suburbs of Boston.

Members of the Subcommittee visited centers in the following suburbs of Chicago, Washington, DC, New York, and Boston:

- Chicago: Wilmette, Winnetka, Ravinia, Highland Park, Lake Forest, Arlington Heights, Skokie, and Glenview.
- Washington DC: Silver Spring and Bethesda
- Boston: Wellesley, Natick
- New York: Bronxville

A video was made of most of the communities visited. It was distributed to the Task Force on a DVD.

CHICAGO SUBURBS

We focused upon Highland Park as a model for Newton Centre because of comparable demographics, and we interviewed the current Planning Director, Economic

Development Director, and a former Mayor who was instrumental in expanding retail and residential development in the center. A summary of key points are as follows:

The initial development in Highland Park occurred 20 years ago, consisting of a mixed-use retail/office development named Port Clinton Square, surrounding a new public plaza designed for public events. Parking was included in an adjacent garage. Sidewalks were repaved in brick with extensive landscaping and shade trees. Other surface parking lots were created on the edges of the center.

Subsequent development included renovation of an existing cinema and a number of small buildings consisting of 2 or 3 floors of residential condominiums over retail.



(Photo: Residential over retail)

The most significant new development, Renaissance Place, occurred approximately 5 years ago. It consists of a full city block of new retail space, a Saks Fifth Avenue, a second six-screen cinema complex, and offices and rental apartments above the shops. A pedestrian promenade with small seating areas bisects the site. A public easement was purchased under the development for one-level of public parking below grade. Sales taxes on the block went from \$12,000 before the development to \$800,000 after the development; property taxes increased from \$100,000 to \$1 million.

These two large projects were catalysts that led to other residential-over-retail developments as well as 600 units in residential-only complexes surrounding the retail areas in the center.

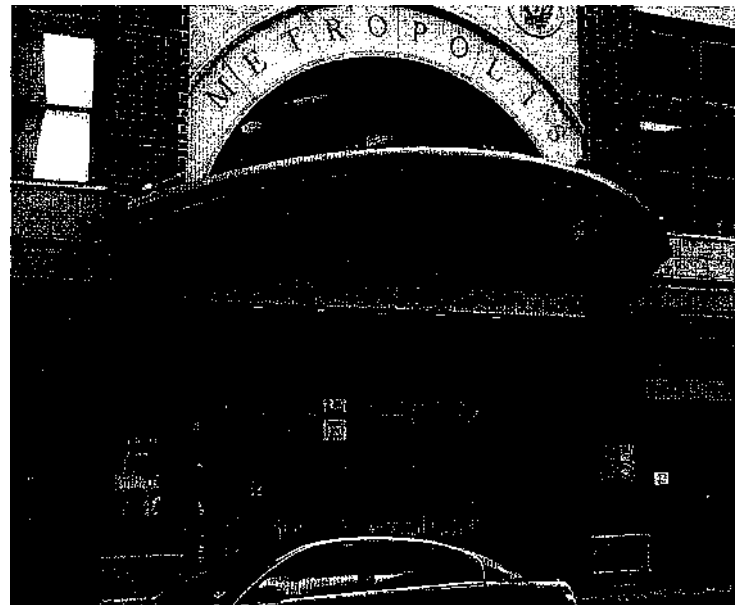
A four-story Hyatt Hotel project was in the works in 2000-2001, but was cancelled following 9/11.

Currently, a substantial number of banks, drycleaners, fitness centers, medical offices, and nail/hair salon have been occupying former ground floor retail storefront space. The City of Highland Park has recently imposed a moratorium on "non-retail" spaces along the primary shopping streets, and has changed allowable businesses in ground-floor spaces.

In Arlington Heights, TIF was first used in the 1980's to build parking garages for shoppers, workers, and commuters, and to induce future development. Acquisition has involved some use of eminent domain; in

most cases the threat of condemnation led to settlements on price. In response, an 8-story condo building with a live theater was built with no additional parking on site. When the theater failed to generate adequate revenue, the City purchased it for a civic performing arts facility.

A 23,000 sq ft grocery store in the center was experiencing declining revenue, and the property was offered for sale. In order to retain a grocery in this location, and over the objections of the owners, the City sent a prospectus to competing grocery chains. The result was that the grocery operator decided to stay and renovate the store. It has proven to be successful and has become a prototype for the chain's smaller stores.



(Photo: Theatre)

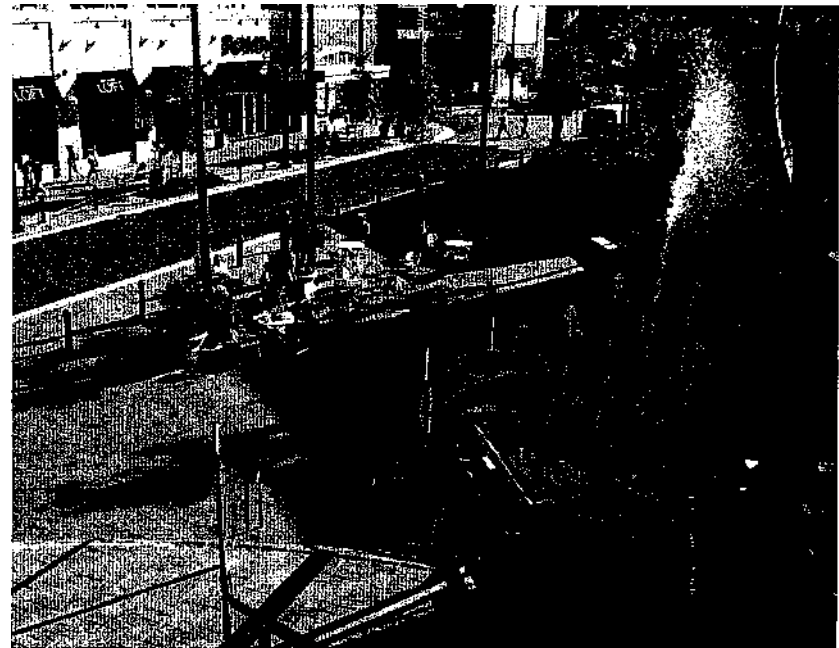
The City has a development growth plan that is encouraging midrise condominiums and rental apartments in the center with ground-level retail, bars, and restaurants. After experiencing substantial objection from nearby residents fearing traffic increases (including 6,000 signatures on a petition opposing the development), the City allowed a retail development to be built, including a 1,600-seat, 6-screen cinema and 325 parking spaces on two levels partially-below-grade. Merchants pay a "CAM" (common area maintenance) charge to help support operation of the garage. The traffic problems failed to materialize.

With the addition of around 900 new residential condos, apartments, and townhomes, Arlington Heights Center is beginning to become a restaurant destination for the northwest suburbs. The number of restaurants has increased from 7 to 30 in the past 8 years, with gross sales increasing from \$7 million to \$23 million. People buying the condos include empty nesters from the northwest suburbs, recent transferees from other cities, and young urban professionals, many of whom grew up in the area who are looking for an active living environment with lower prices than Downtown Chicago.

WASHINGTON DC SUBURBS

In the Washington suburbs of Silver Spring and Bethesda, Montgomery County conducts all planning and zoning activities. Both suburbs have experienced retail, residential, and office growth, due to their convenient locations near the Washington Beltway as well as

adjacent to the Metro Subway. The zoning is based upon a "tent" concept, in which floor-area-ratios are highest in the heart of the center and taper off to single family detached residential at the perimeter, allowing for multifamily condos and townhomes in between. Specific types and forms of mixed-use developments are regulated by utilizing overlay zones with specific objectives. A sliding scale of bonuses for additional market rate units are given to developers who include affordable (subsidized) units in their projects. Bonuses for increased square footage are also given for the creation of "amenities", including "public use" space, streetscaping, and public art.



(Photo: Bethesda, MD)

Montgomery County responded to pressures from a number of developers to build a "mega-mall" in the heart of Silver Spring. Recognizing that a mall would conflict with the civic character of Silver Spring Center, the County decided to pursue a "Main Street" concept for increasing retail square footage and mix in the center. They designated a developer who was experienced in the Main Street type of retailing, who then went to the community for ideas on what – and how – to develop the center. The new retail development was recently completed with the support of the community. It includes a high level of public streetscape and open space amenities. It includes a center for the American Film Institute, a Whole Foods grocery, a second floor cinema, and residential units, as well as a parking garage to accommodate new shoppers.

NEW YORK SUBURBS

In Bronxville, the town has focused upon streetscape and parking improvements in its center. Curb neckdowns at intersections creates places for landscaping and shortens the walk across the street. New decorative street signs, benches, and other street furniture enhance the walking environment. Angle parking increases parking capacity where street width permits. Longer term parking is located behind groups of shops.

FEATURES OF SUBURBAN CENTERS

The video and the photos presented at the October 29 Public Forum reveal the primary features of most of the downtowns we visited:

- A beautiful streetscape – wide sidewalks with decorative paving, shade trees, flower beds, small fountains, attractive pedestrian lighting, and street neck-downs at intersections
- Continuous retail frontage, avoiding curb cuts and "service" uses interrupting the continuity
- An adequate square footage of retail shops fostering a retail mix of mutually-reinforcing stores, restaurants, and cafes, making it possible for shoppers to spend an extended time in the center
- > Delightful gathering places for meeting people and for programmed events
- > Multifamily residences above the shops and in 4-5 story buildings surrounding the center
- > Public parking structures and lots that enable private development to occur without needing to provide parking on each separate property.

BOSTON SUBURBS

Our visits to two Boston suburbs, Wellesley and Natick, revealed that Massachusetts communities are accommodating new development opportunities while maintaining their small town civic character.

In Wellesley, the Zoning Ordinance allows for "mixed use", including residences above and adjacent to retail shops. Shared parking provisions take advantage of the different demand "peaks", which are high for retail during the day and are high for residences at night. A new mixed-use development is under way that is enhancing and expanding an existing strip mall with new

development, including street-facing shops with apartments and offices above.

In Natick, the Town already allows for – and encourages – residences and offices in its center. However, there have been no recent developments in the center because parking requirements must be met on site, which is difficult to achieve on small infill properties. The Town is rectifying this problem by initiating one of Massachusetts' first "DIF" (District Improvement Financing) projects. The Town plans to expand an existing deteriorated 174-car public parking garage into a new 360-car facility that would accommodate parking for new residences, offices, and shops, while modifying on-site parking requirements. Under the new DIF legislation, the General Obligation Bonds used to finance the garage construction will be retired by a portion of the incremental property revenues generated by both the Natick Center businesses as well as the expanded portion of the Natick Mall. Final resolution of the formula of revenue distribution is being conducted through negotiations with the School Department and other property tax revenue recipients.

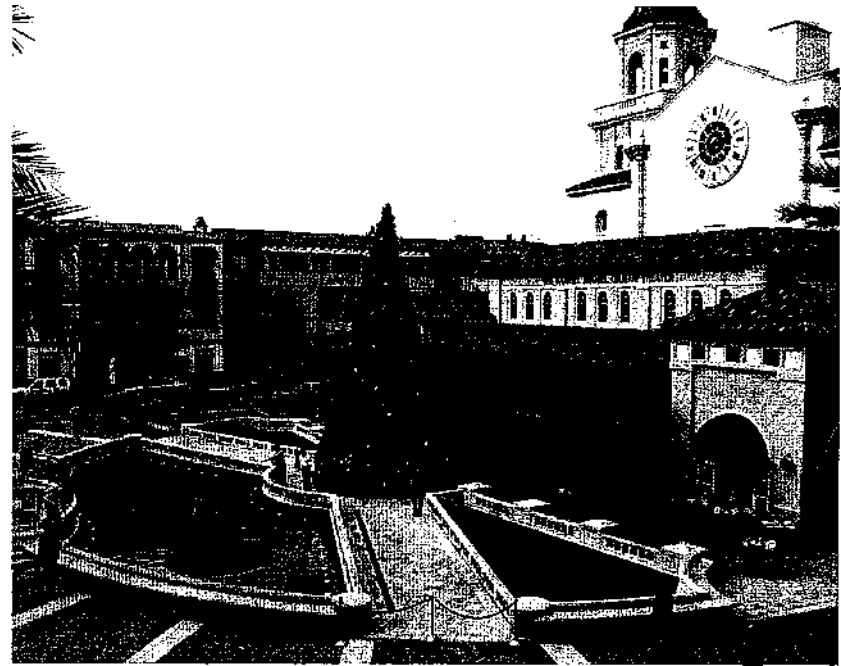
Also, to encourage more housing in Natick Center, the Town has created "HOOP" overlay zones on properties currently used for auto-related services. HOOP stands for Housing Opportunity Overlay Plan. Development plans that meet the required setback, open space, landscaping, height, and density limits can build housing "as of right", greatly reducing the "red tape" and time required to get a project under construction.

APPLICABILITY TO NEWTON CENTRE

In our interviews with officials in the communities we visited, we were given a number of suggestions to help ensure successful growth and improvement of Newton Centre:

- > Traffic is a retail asset; keeping it flowing is important.
- > Attractive streetscape is important to improve the center's image from the start.
- > Be imaginative; since Newton Centre's blocks are so small, consider a multi-block development.
- > A pedestrian-friendly environment is critical.
- Upper-bracket condo residents are your best shoppers.
- > Upper-bracket residences are needed to subsidize affordable residences.
- > Find perimeter sites for additional multifamily condos and townhomes.
- > Rental units are also important to introduce residents to the community.
- > Office employees are also good shoppers.
- Don't try to compete with malls; encourage one-of-a-kind merchants and restaurants; limit the number of national chains.
- Consider a facade renovation program to share costs with the owner.

- > Sit down with key groups quietly — the Chamber, BC, nearby residents, merchants — to gain all perspectives and to glean new ideas.
- Find a specialty grocer.
- > Include a cinema — it generates evening activity and helps fill restaurants when there is a surplus of parking and no traffic problems. 1,000 seats at 50% occupancy means 500 people coming Downtown for enjoyment.
- Upgrade the quality of retail space.
- > The Mayor should actively seek key tenants.
- > Create a program of cultural and social activities.
- > Create a youth program.
- > Set up a management office to oversee Newton Centre — monitor and help existing merchants; attract new merchants; keep statistics on sales, vacancies, etc.; finance a maintenance and beautification program; provide supplemental security.
- > Ongoing success requires a "champion" who inspires support and enthusiasm and guides progress through occasional setbacks and difficulties of doubt and uncertainty.



(Photo: City Place, West Palm Beach, FL)