

Town of Belmont Economic Development Committee (EDC)

Meeting location: Select Board meeting room, Belmont Town Hall + virtual via Zoom

Meeting date: Tuesday, January 9, 2024

Meeting time: 7:00 pm

**RECEIVED
TOWN CLERK
BELMONT, MA**

DATE: January 24, 2024
TIME: 9:06 AM

Attendees:

In person = Paul Joy, Deran Muckjian, Erin Brown

Virtual (via Zoom) = Marie Warner, Armine Humphrey, Renee Guo* (dropped off call early)

Not in attendance = Wendy Etkind, Jack Sy, Schuyler Wiggins

Meeting led by Committee Chair Paul Joy

Minutes taken by Erin Brown

1. Call to order at 7:08 pm.

2. Approval of meeting minutes.

The committee reviewed and approved notes from the December 14, 2023 Economic Development Committee meeting. Approval was unanimous from the six participating committee members.

3. Moved directly to agenda item #9: Current State of Business in Belmont, due to in-person attendance of Stone Heath Pizza owners Steve, Simone, and Joseph Arkinstall.

Owners joined meeting as special guests to discuss state of business. [Stone Hearth Pizza is located at 57 Leonard Street in Belmont Center.] The three of them are co-owners of the business with their daughter and two other individuals; the Arkinstall family owns 50% of the business.

Steve said that in short, they are losing money and are at risk of closing. Like most small businesses, they suffered through the COVID-19 pandemic but government financial assistance helped temporarily. But at the close of 2023, the business has continued to lose money even after exiting COVID. The three main culprits are increasing food prices (cost of raw materials), wage increases due to a shortage of staff (payroll), and rent. [Stone Hearth Pizza landlord is Locatelli Properties.] They have done as much as possible to decrease costs including pulling back on repairs, maintenance, and equipment. They've raised prices twice but don't want to do that again to customers.

Rent continues to be a significant issue for them. Steve said that an estimated 5-to-8% of net sales as rent is average but they are paying 12%, which makes a big impact in the restaurant business where margins are so small. Four years ago they tried to sell the business and he says they had a few interested parties, but when potential buyers saw the rent rate, they said there's no way they could make money and walked away from the opportunity.

What they owe to Locatelli Properties includes back rent, and they are now in the process of negotiating with Kevin Foley at Locatelli to reduce current rent. Steve said they so far, Foley has verbally offered a rent reduction but Stone Hearth currently can't sustain the business while paying the rent right now – and he suspects that several other businesses might be in the same position.

Paul asked for an update on the macro situation on Leonard Street in Belmont Center; Deran (EDC member and owner of The Toy Shop of Belmont at 71 Leonard Street) said that at least six stores are empty – Comella’s former space, old CVS space, CambridgeWear clothing, Bank of America, the short-lived CoCo Fresh Tea & Juice, and Trinktisch – and the combination of these closing makes a big impact square-footage wise. Deran’s store has seen a 12-to-14% decrease in foot traffic and he lost money last year. He added that the next big crash will come when landlords understand they need to drop rent to a lower tier in order for businesses to stay afloat. Steve added that landlords should understand that there must be a vibrant center in order to generate more business.

Marie thanked the Arkinstall family for sharing their story and noted that this is endemic; and asked if there is anything the committee or Town could sponsor to draw foot traffic? Steve: Certainly in the summer months outdoor dining is a major boost, and having music on the street is a great idea. Paul explained what the committee has been doing to help driving future business, including zoning adjustments. Steve said anything we can do to communicate collective concerns to the Town that rent is a major issue would be helpful.

Discussion continued around gathering benchmarking data on rental rates per square foot compared to other towns/locations. Marie mentioned the model being used in the Seaport district where landlords lowered rent but took a bigger percentage of sales; Deran mentioned that this would be an ideal situation for many establishments and is more feasible than a flat rent rate. Steve agreed this could work. Paul asked for public comment but there was none. Committee thanked guests and they left the meeting.

Paul (continuing with agenda item #9) asked if there is any other news about new business in Belmont? He mentioned a new gelato restaurant opening on Trapelo Road this month next to Number 1 Taste Chinese Food. Members also noted the opening of Butternut Bakehouse at 49-51 Leonard Street, which Deran said has been busy and does not seem to be hurting [taking business away from] other cafes in Belmont Center.

4. Moved back to original agenda item #3: Spring Zoning – Boutique Hotels – Working Session.

Paul shared PowerPoint. He clarified that we are not getting outside assistance on this work and that Chris Ryan will be assisting instead.

Paul noted there are specific locations within the Town where hotels should be by right, by special permit, or certain areas for wider base development. Discussion focused on areas for potential development: Belmont Center not ideal for large-scale development, any larger development could be on Pleasant Street or around McLean Hospital; other locations brought up included Brighton Road near Hillside Gardens, the Winters Hardware building in Cushing Square, the Congregational Church, and the current Restoration Project location on Pleasant Street. Paul and Deran agreed that it would be out of our jurisdiction to touch short term rentals.

Paul said we should wait for Chris to join us so that he can help shape the discussion based on his planning background. Marie asked for clarification on what we will be recommending that Town Meeting will be voting on? Paul answered: definition, define where those hotel types would be within use table, and then recommendation of by right or by special permit. Armine suggested that pushback from the community might be less for a smaller boutique hotel. Paul added that after we suggest definitions, there should be a public forum to share recommendations.

Discussion continued around special permitting vs. by right and site plan review process. Deran asked if it would help to have a boutique hotel owner join a committee meeting to tell us what they would look for when scouting locations. Members agreed to try this as a next step, and to talk with Chris at next committee meeting about questions and recommendations.

5. Original agenda item #4: Belmont Market Analysis Working Group Representation (and possible vote).

Paul asked for updated thoughts on who might be able to join this working group? The Select Board would need to approve. The idea was that they wanted to present to Town Meeting in late spring. Armine volunteered, though said it would be helpful to understand more about timing and participation requirements. Erin volunteered as backup to Armine, as did Deran.

Paul made a motion to nominate Armine as main EDC liaison to the Belmont Market Analysis Working Group, with Erin and Deran as backup liaisons to the working group. Deran seconded the motion. After roll call, all members who were in attendance approved the motion.

6. Original agenda item #5: Wayfinding – Working Group Designs and Fundraising Update.

Paul mentioned that Schuyler, who was not in attendance at the meeting, was going to reach out to Sara Townsend of the Garden Club about this. Deran discussed event sponsor support – possibly Rockland Trust Bank – and said he will reach out to them. The Belmont Garden Club was also mentioned as possible vehicle for donations. Paul suggested showing Wayfinding imagery on a screen at our March EDC Networking event. Regarding the event, the committee agreed on sponsoring food for the event but that drinks would be cash bar.

7. Original agenda item #6: School Internship Program Update.

Paul updated group that a program in which Belmont students gain internship hours via the Work Based Learning Alliance (WBLA) was launched and students have been enrolling, both in summer and fall. Paul showed a list of companies where students have done internships.

Discussion followed about having Belmont businesses benefit from student internships, which had been raised in the past but seemed to have stalled (Deran noted that he submitted for an intern but never heard back). Liz Baker, Director of Science and Technology/Engineering at Belmont Public Schools is the program liaison.

Ideas discussed to get the word out about the program included:

- Suggest *The Belmont Voice* cover the story of Belmont student interns
- Ask members of the Alliance to present at an upcoming EDC meeting to discuss the program
- Ask Ms. Baker to speak at March EDC Networking event to get the word out about the program to Belmont businesses
- Ask Ms. Baker to speak to the Belmont Center Business Association

8. Original agenda item #7: Communication Lead Update.

March 12 EDC Networking event invitation sent; good response so far. Marie noted that Eventbrite, which we've used in the past to invite businesses, is now charging a fee – so it makes sense to send the invite via Outlook.

Erin asked when we plan to communicate our committee progress and successes to the Select Board this year. Paul agreed and suggested a planning meeting first. He will ask the Select Board to put us on its calendar; he's also needs to work on the committee report.

9. Original agenda item #8: Committee Updates (MBTA 2nd compliance run update).

Paul gave MBTA update on compliance, results of second compliance run, data on parking and zoning, other results including removed buildings. Paul said in order for an area to be considered developable, it must be on the plan, which some buildings are not. The committee will be meeting on January 10th to vote on zoning and other items. Discussion continued on when and how to submit recommendations to the Planning Board.

[Content of all recent MBTA meetings can be found on the Belmont Media Center website here: <https://belmontmedia.org/watch/mbta-communities-advisory-board>.]

Warrant Committee update and override discussion. Tom Caputo still working the model, and Select Chair Epstein stated their thinking was \$7.5 million to 8.4 million, but decision will not be made until January 30th.

10. Meeting Scheduling – February 2024 including annual goal-setting and SB presentation (typically in February).

Next meeting will be held Tuesday, January 23rd 2024. Will be held in Conference Room 4 in Town Hall. Next meeting will be committee goals discussion.

February 7, 2024 is tentative next committee meeting date after that.

11. Public comment.

Paul asked for public comment, there was none.

Armine motion to adjourn meeting, Deran seconded. Approved by all.
Meeting adjourned at 9:04 pm.