

**TO:** BOSTON REDEVELOPMENT AUTHORITY AND  
PETER MEADE, DIRECTOR

**FROM:** HEATHER CAMPISANO, DEPUTY DIRECTOR, DEVELOPMENT REVIEW  
DANA WHITESIDE, DEPUTY DIRECTOR, COMMUNITY ECONOMIC  
DEVELOPMENT

**SUBJECT:** PUBLIC HEARING ON THE HOUSING CREATION PROPOSAL BY  
THE BIOSQUARE REALTY TRUST AND CARITAS ACQUISITIONS LLC  
FOR THE PROJECT PLACE CORTES STREET DEVELOPMENT

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**SUMMARY:** This Memorandum requests authorization for the approval of the Housing Creation Proposal submitted by The BioSquare Realty Trust and Caritas Acquisitions LLC committing up to \$167,115.71 in Housing Creation Funds for the development of the Cortes Street Development and the approval of up to \$192,175.00 of Planning and Development Fund monies for the development of the Cortes Street Development.

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## **BACKGROUND**

### National Emerging Infectious Diseases Laboratories ("NEIDL") Building

The National Emerging Infectious Diseases Laboratories ("NEIDL") Building formerly referred to as the Research Building Parcel F Project (the "Project") is one of the three project components of the development known as the BioSquare II Development which was undertaken on the parcel of land located on Albany Street in the South End. The NEIDL project was constructed pursuant to the requirements of the Development Plan for National Emerging Infectious Diseases Laboratories within Planned Development Area No. 41A BioSquare II ("PDA No. 41A").

The Boston Redevelopment ("BRA") approved PDA No. 41A on December 14, 2004 and subsequently the City of Boston Zoning Commission approved PDA No. 41A on January 12, 2005, effective January 12, 2005.

University Associates Limited Partnership ("University Associates") was the development entity for the NEIDL Building.

On January 10, 2005, University Associates and the BRA entered into a Development Impact Project Agreement ("DIP Agreement") in accordance with Section 80B-7.3 of

Article 80B of the Code which outlines the calculation of and payment of the required Development Impact Project payments for the NEIDL Building.

The BioSquare Realty Trust became the successor to University Associates Limited Partnership.

#### Project Place/Caritas Communities

The development team comprised of Project Place and Caritas Communities, Inc. has submitted a proposal for the Cortes Street Development (the “Proposed Project”) for consideration by the BRA and the Department of Neighborhood Development.

Caritas Acquisitions LLC is the entity through which both Caritas Communities and Project Place will seek development of the Proposed Project.

The Proposed Project will consist of the reconfiguration of existing structures at 7, 11-11A - 15 Cortes Street in the Bay Village section of the South End neighborhood. The development will provide for the creation of renovated residential units to be utilized by members of the community who are transitioning out of homeless status and also moving into Boston’s workforce after significant period of unemployment.

The unit mix will be as follows:

- Thirty-two (32) Efficiency units with private bath facilities; and
- Eight (8) Single room occupancy (“SRO”) units.

Additionally the Proposed Project includes new or upgraded electrical, plumbing, mechanical, HVAC and life safety systems as well as completion of work to roof and masonry work.

The partnership between Project Place and Caritas Communities will seek to leverage the expertise of each entity for job/workforce placement and training (Project Place) and the creation of affordable housing opportunities for low income area stakeholders (Caritas Communities). In addition, the Proposed Project will include a programmatic component to provide job training and social services to the residents of the Proposed Project

#### **HOUSING CREATION PROPOSAL**

In accordance with Section 8 of the Housing Creation Regulations which were adopted by the BRA Board on April 17, 1986 (the “Regulations”), The BioSquare Realty Trust and Caritas Acquisitions LLC submitted a Housing Creation Proposal for review and approval by the BRA on January 4, 2013 (the “Housing Creation Proposal”). The Housing Creation Proposal requests the use of the remaining \$167,115.71 due from The BioSquare Realty Trust for the Proposed Project.

In accordance with the Regulations, on January 14, 2013 the Neighborhood Housing Trust (“NHT”), as administered by the Department of Neighborhood Development, voted its recommendation that consideration be given for the following actions:

- Approval of the Housing Creation Proposal allowing for \$167,115.71 of future linkage payments to be made in support of the Proposed Project; and
- Approval of a Housing Payment Agreement allowing for \$582,449.29 of linkage payments already made by BioSquare Realty Trust in support of the Proposed Project.

Consistent with these Regulations, the BRA is required to hold a public hearing and publicly notice said hearing before action on the Housing Creation Proposal can occur. Notice for this public hearing appeared in the Boston Herald on January 5, 2013.

### **PLANNING AND DEVELOPMENT FUND**

On March 13, 2012 the BRA authorized the creation of the Planning and Development Fund which may be used for affordable housing. BRA staff recommends that up to \$192,175.00 of said Planning and Development Fund monies be approved for a conditional grant to be used to partially finance construction costs for the Proposed Project.

### **RECOMMENDATIONS**

It is, therefore, recommended that the BRA: (1) approve the Housing Creation Proposal for the Proposed Project; (2) authorize the City of Boston Department of Neighborhood Development or the BRA, as appropriate, to enter into a Housing Creation Agreement and any other documents as may be necessary to implement the Housing Creation Proposal; (3) approve a funding award of up to \$192,175.00 from the BRA’s Planning and Development Fund to partially finance the construction of the Proposed Project; and (4) authorize the Director to execute a conditional grant agreement in connection with the use of up to \$192,175.00 of BRA’s Planning and Development Fund monies to the partially financing of the construction of the Proposed Project.

Appropriate votes follow:

**VOTED:** That in accordance with the Housing Creation Regulations adopted on April 17, 1986, the Boston Redevelopment Authority (“Authority”) approves the January 4, 2013 Housing Creation Proposal by The BioSquare Realty Trust and Caritas Acquisitions LLC for the benefit of the Cortes Street Development (the “Housing Creation Proposal”); and

**FURTHER**

**VOTED:** That the City of Boston Department of Neighborhood Development and/or the Director of the Authority, as appropriate, be, and hereby is, authorized to enter into a Housing Creation Agreement pursuant to Section 9 of the Housing Creation Regulations adopted by the Boston Redevelopment Authority on April 17, 1986 and such other documents as may be necessary to implement the Housing Creation Proposal; and

**FURTHER**

**VOTED:** That the Authority approve a funding award of up to \$192,175.00 from the Authority's Planning and Development Fund for the Cortes Street Development; and

**FURTHER**

**VOTED:** That the Director be, and hereby is, authorized to execute any and all documents, including but not limited to a Conditional Grant Agreement, in connection with the \$192,175.00 funding award from the Authority's Planning and Development Fund for the Cortes Street Development as determined to be necessary and appropriate by the Director and containing terms and conditions that are in the best interest of the Authority in the Director's sole discretion.