

MEMORANDUM

FEBRUARY 14, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
ERICO LOPEZ, SENIOR PROJECT MANAGER

SUBJECT: EAST BOSTON NEIGHBORHOOD HEALTH CENTER
10 GOVE STREET, EAST BOSTON, DEMONSTRATION PROJECT;
ORDER OF TAKING AND PUBLIC IMPROVEMENT COMMISSION
ACTIONS

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (“Authority”) take the following actions related to the East Boston Neighborhood Health Center (“EBNHC”), located at 10 Gove Street, in East Boston (the “Project”): (1) authorization to establish a “demonstration project” under Massachusetts General Laws Chapter 121B, Section 46(f) for the East Boston Neighborhood Health Center, located at 10 Gove Street in East Boston; (2) adoption of a “Demonstration Project Plan” for the Project which grants the Boston Redevelopment Authority (the “Authority”) authorization to acquire certain air rights parcels from the city of Boston (the “Air Rights”) by eminent domain and to convey the Air Rights to EBNHC; (3) authorization to adopt an Order of Taking for the Air Rights; and (4) authorization to ratify and confirm the petition to the city of Boston Public Improvements Commission (“PIC”) for the discontinuance of the Air Rights.

PROJECT SITE

The project site is located in the East Boston District of Boston at 10 Gove Street, and consists of a portion of a block bounded by Paris, Havre and Gove Streets (the “Project Site”). The Project Site contains approximately 29,000 square feet in area and was the initial site of the Health Center, originally constructed in 1976 and expanded in 1987 and again in 1996.

PROJECT BACKGROUND

East Boston Neighborhood Health Center Corporation (EBNHC) is the leading healthcare provider for the East Boston and surrounding communities and has a 40-year history of success in developing and implementing effective and innovative program models. EBNHC's comprehensive range of medical services targets all life cycles and improves outcomes for the poor, minorities, and new immigrants. Neighborhoods served are some of the most densely populated and vulnerable in Massachusetts. There is a critical need in East Boston and the surrounding service areas for primary care, dental, and eye services which presently outpace availability.

Recently, the Health Center completed construction of a new state of the art four story, 49,000 square foot LEED-certified Maverick Square facility, which will allow EBNHC to grow to \$20 million in revenue, and create 200+ health-care jobs over 5 years. In addition, the recent expansion has helped the Health Center improve operational efficiency and financial sustainability as EBNHC shifts operations from 3 leases, saving over \$400K annually and better directing funds toward patient care. Expanded hours and new providers in clinics with 31 new exam rooms will enable EBNHC to meet immediate needs. The new facility will provide improved patient flow, a welcoming environment, and an easily accessible location.

In connection with that expansion, the Health Center recently concluded a New Markets Tax Credit Financing arrangement, which involved a number of its facilities, including the existing building at 10 Gove Street. As a result, it was discovered that several small portions of the building at 10 Gove encroached over the public way on Havre Street. In order to correct and dispose of this issue, the Health Center is requesting the foregoing.

AIR RIGHTS ACQUISITION

The existing building has certain components that encroach over the public way on Havre Street. In order to accommodate these architectural features and to correct the existing title defect affecting the building, it is necessary to take certain Air Rights by eminent domain and to convey them to the EBNHC. The Authority will also petition the Public Improvement Commission for the discontinuance of the Air Rights.

REQUESTED AUTHORITY ACTION

In connection with the construction of the EBNHC it is necessary that the Authority establish a "demonstration project" and a Demonstration Project Plan for the Project, which grants the Authority the authorization to acquire certain Air Rights from the city of Boston and to convey the Air Rights to the EBNHC.

RECOMMENDATION

It is recommended that the Authority: (1) authorize the establishment of a “demonstration project” under Massachusetts General Laws Chapter 121B, Section 46(f) for the East Boston Neighborhood Health Center, located at 10 Gove Street (the “Project”); (2) adopt a “Demonstration Project Plan” for the Project which grants the Boston Redevelopment Authority (the “Authority”) authorization to acquire certain air rights parcels from the city of Boston (the “Air Rights”) by eminent domain and to convey the Air Rights to EBNHC; (3) authorize the adoption of an Order of Taking for the Air Rights; and (4) ratify and confirm a petition to the city of Boston Public Improvements Commission (“PIC”) for the discontinuance of the Air Rights.

Appropriate votes follow:

VOTED: That the Boston Redevelopment Authority (the “Authority”) hereby finds and declares as follows:

- (a) In order to prevent urban blight by the undertaking of the proposed East Boston Neighborhood Health Center project (the “Project”), it is in the public interest that the Authority acquire title to certain Air Rights over land owned by the City of Boston;
- (b) That in accordance with the Massachusetts General Laws Chapter 30, Section 61, a finding and or determination is hereby made that the Project will not result in significant damage to the environment and further, with the implementation of mitigation measures, that all practicable and feasible means and measures will have been taken to avoid or minimize potential damage to the environment;
- (c) The undertaking of the Project requires the assistance of the Authority; and
- (d) Based on (a), (b) and (c) above, the Project constitutes a “demonstration project” under Massachusetts General Laws Chapter 121B, section 46(f), as amended; and

FURTHER

VOTED: That the Authority hereby adopts the following “Demonstration Project Plan” in connection with the Proposed Project: the Authority shall acquire title to certain Air Rights over land owned by the city of Boston, located at 10 Gove Street (the “Air Rights”) and convey the Air Rights to the East Boston Neighborhood Health Center. The Director is hereby authorized on behalf of the Authority to execute such instruments or agreements with the city of Boston and East Boston Neighborhood Health Center, to

effectuate the foregoing Demonstration Project Plan pursuant to Massachusetts General Laws Chapter 121B, section 46(f), as amended, and the Authority's role in the Project. The terms and conditions of all instruments and agreements shall be at the sole discretion of the Director; and

FURTHER

VOTED: That the Authority adopt a Resolution entitled, "BE IT RESOLVED by the Boston Redevelopment Authority that an ORDER OF TAKING, dated February 14, 2013, relating to certain Air Rights at 10 Gove Street in the East Boston neighborhood of the city of Boston, Suffolk County, Commonwealth of Massachusetts" be executed and made a permanent part of these proceedings, a copy of which the Secretary shall cause to be recorded in the Office of the Registry of Deeds for the County of Suffolk; and

FURTHER

VOTED: That the Authority ratify and confirm the petition to the City of Boston Public Improvements Commission ("PIC") for the discontinuance of the Air Rights executed by the Director; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute any and all other documents deemed necessary and appropriate by the Director in connection with the Project.