

MEMORANDUM

FEBRUARY 14, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
MICHAEL CANNIZZO, SENIOR ARCHITECT/URBAN DESIGNER
ERICO LOPEZ, SENIOR PROJECT MANAGER

SUBJECT: THE 415 WILLIAM F. MCCLELLAN HIGHWAY PROJECT, LOCATED
IN THE EAST BOSTON NEIGHBORHOOD, TO BE CONSIDERED AS A
DEVELOPMENT IMPACT PROJECT

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (the “BRA” or “Authority”): (1) issue a Scoping Determination waiving the requirement of further review pursuant to Article 80, Section 80B-5.3(d), Large Project Review of the Boston Zoning Code (“Code”) for the 415 William F. McClellan Highway, located in East Boston (the “Proposed Project”); (2) issue a Certification of Compliance under Section 80B-6 of the Code upon successful completion of the Article 80 review process for the Proposed Project; (3) execute and deliver a Cooperation Agreement, a Development Impact Project Agreement, a Boston Residents Construction Employment Plan Grant Agreements and Boston Permanent Employment Agreement, along with any and all other agreements and documents that the Director deems appropriate and necessary in connection with Article 80B review of the Proposed Project.

PROJECT SITE

On September 17, 2012 MC-EB Realty LLC (the “Proponent”) submitted a letter of intent to the Boston Redevelopment Authority (the “BRA” or the “Authority”) for a project located at 415 William F. McClellan Highway in the East Boston neighborhood of Boston. The Property is located at the corner of William F. McClellan Highway and Boardman Street, in an urban commercial and residential area, and consists of approximately 6.2 acres (270,072 square feet) of vacant land previously used by the United States Navy as a fuel storage depot (the “Project Site”).

THE PROPOSED PROJECT

The Proponent seeks to develop an 112,830 square foot mixed-use project consisting of a 177-room business hotel, two restaurant/retail sites; associated entry drives, parking areas containing a total of 346 spaces, new sidewalks, street trees, planters, and lighting improvements along the Boardman Street frontage. As currently planned, the Project consists of three primary building elements: the first is a five (5) story, 102,525 square foot hotel project, centrally located on the Project Site, the second being a one-story, 6,270 square foot retail/restaurant building on the northern end of the Project Site fronting on Boardman Street, and the third would be another one-story 4,035 square foot retail/restaurant building on the western end of the Project Site also fronting on Boardman Street (the "Proposed Project"). The Proposed Project may be constructed in up to two phases. If constructed in Phases, the first Phase will include the hotel portion of the Proposed Project and the second Phase will include the Retail/Restaurant portion of the Proposed Project.

It is anticipated that the Proposed Project will create approximately one hundred and seventy-five to two hundred (175-200) construction jobs. The hotel component will produce forty-two (42) full time jobs and thirty-five (35) part time jobs. The restaurant component would produce an estimated fifteen (15) full time jobs and thirty (30) part time jobs. The retail component would produce twelve (12) full time jobs and fifteen (15) part time jobs.

Total project cost is \$31,500,000 and construction is intended to start in the third quarter of 2013 and take approximately thirteen (13) months to complete.

DEVELOPMENT TEAM

The development team consists of:

Owner/ Developer:	<u>MC-EB Realty LLC</u> James J. Karam Jeffrey T. Karam
	<u>Marshall Properties</u> Lianne Marshall
Site Engineer and Landscape Architect:	<u>Bohler Engineering</u> Matt Smith, P.E. Matt Mrva, R.L.A

Architect: BMA Architectural Group, P.C.
Rolf Biggers, A.I.A
Marcus Parkkonen

Environmental/
Geo-Tech GZA
Engineer: Derek Simpson

Counsel: Nutter McClennan & Fish
William F. Kennedy, Esq.
Mary T. Marshall, Esq.

Construction
Manager: Suffolk Construction
Mark DiNapoli

Environmental
Consultant: Tech Environmental
Marc C. Wallace, QEP

Traffic Engineer: Vanasse & Associates, Inc.
Jeffrey Dirk, P.E., PTOE

PUBLIC PROCESS

The Proponent conducted an Impact Advisory Group (“IAG”) meeting on November 14th at the Orient Heights Community Center. IAG meetings resulted in constructive feedback. The Proponent also met with the Eagle Hill Civic Association, and had several meetings with East Boston elected officials. The BRA sponsored a public meeting regarding the Proposed Project on November 19, 2012 at 6:00pm, in the East Boston YMCA, 215 Bremen St, East Boston, MA 02128. The meeting was advertised in the *East Boston Times-Free Press*. The comment period on the Proposed Project ended on December 7, 2012.

The Proposed Project was approved by the Boston Civic Design Commission on January 8, 2013.

DEVELOPMENT IMPACT PROJECT (“DIP”) EXACTIONS

The Proposed Project constitutes a Development Impact Project (“DIP”) under Article 80B-7 of the Code. Based on the present plans, MC-EB Realty LLC will provide a total of approximately \$121,115.20 in linkage payments, comprising a payment contribution to the Neighborhood Housing Trust over seven (7) years of approximately \$14,425 per

year and a payment contribution to the Neighborhood Jobs Trust over two (2) years of approximately \$10,071.55 per year. These estimated linkage payments are calculated as follows:

Housing Linkage:

DIP Uses	112,830	square feet
Exclusion:	<u>-100,000</u>	
	12,830	
	x <u>\$7.87</u>	/square foot
	\$100,972.10	

Jobs Linkage:

DIP Uses	112,830	square feet
Exclusion	<u>-100,000</u>	
	12,830	
	x <u>\$1.57</u>	/square foot
	\$20,143.10	

ZONING

The Project Site is located in its entirety within the McClellan Highway Economic Development Area (“EDA”) of the East Boston Neighborhood Zoning District, the relevant provisions of which are set forth in Article 53 of the Code. The purposes of the McClellan Highway EDA are to provide for economic growth opportunities which would benefit from the area’s close proximity to the City, the international airport, and major highway access. The uses which are allowed as of right within the McClellan Highway EDA include “hotel”, “restaurant” (with the exception of drive-in and “large” takeout restaurants which are “conditional” uses), “general retail businesses” and “local retail business uses”, as well as accessory uses, including parking which are accessory thereto. The Proposed Project would seek zoning relief for height.

PUBLIC BENEFITS

The Project will provide a number of public benefits to the City of Boston, and in particular to the residents of East Boston. The Project has been carefully designed to be sensitive to its residential neighbors and also accommodate proposed infrastructure upgrades. Specific benefits include:

- Revitalization of a long vacant site which was formerly used as a fuel depot into a vibrant mixed use site along with enhancing a key gateway into the East Boston neighborhood;
- Hotel meeting space to local community groups at nominal or no charge;

- Upgrades to the streetscape along Boardman Street including sidewalks and street trees, planters and lighting;
- Improvements to Traffic Management systems at the intersection of Boardman Street/ McClellan Highway;
- Linkage Payments to the City of Boston's Neighborhood Housing Trust and Neighborhood Job's Trust;
- Incorporation of Sustainable Design elements within the Project, which will be designed to comply with the requirements of Article 37 of the Code and be LEED Certifiable;
- MC-EB Realty LLC has volunteered an additional community benefit contribution of \$25,000 for the Orient Heights Community Center, \$25,000 for the improvements of Noyes Park, and \$25,000 to the East Boston Greenway to be delivered to the BRA at the issuance of Certificate Occupancy.

RECOMMENDATION

Approvals have been requested of the BRA pursuant to Article 80, Section 80B of the Code for the issuance of a Scoping Determination waiving the requirement of further review pursuant to Article 80, Section 80B-5.3(d) of the Code, and for the issuance of a Certification of Compliance under Section 80B-6 upon successful completion of the Article 80 review process. In accordance with Section 80B-5.3(d) of the Code, the BRA may issue a Scoping Determination Waiving Further Review if the PNF, together with any additional material and comments received by the BRA prior to the issuance of the Scoping Determination, are found to adequately describe the impact of the Proposed Project and offer appropriate mitigation of such impacts.

BRA staff believes that the PNF meets the criteria for the issuance of a Scoping Determination Waiving Further Review. It is therefore recommended that the BRA authorize the Director to (1) issue a Scoping Determination waiving the requirement of further review pursuant to Article 80, Section 80B-5.3(d) of the Code for the Proposed Project; (2) issue a Certification of Compliance under Section 80B-6 for the Proposed Project upon successful completion of the Article 80 review process; (3) execute and deliver a Cooperation Agreement, a Development Impact Project Agreement, and a Boston Residents Construction Employment Plan and a Boston Permanent Employment Agreement in connection with the Proposed Project.

Appropriate votes follow:

VOTED: That the Director be, and hereby is, authorized to issue a Scoping Determination under Section 80B-5.3(d) of the Boston Zoning Code, which (i) finds that the Project Notification Form adequately describes the potential impacts arising from the 415 William F. McClellan Highway Project, located in East Boston (the “Proposed Project”), and provides sufficient mitigation measures to minimize these impacts, and (ii) waives further review of the Proposed Project under subsections 4 and 5 of Section 80B-5 of the Boston Zoning Code, subject to continuing design review by the Boston Redevelopment Authority (the “Authority”); and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue a Certification of Compliance for the Proposed Project, upon the successful completion of all Article 80 processes; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute a Cooperation Agreement, a Boston Residents Construction Employment Plan, a Development Impact Project Agreement, and a Boston Permanent Employment Agreement Grant Agreements, along with any and all other agreements and documents which the Director deems appropriate and necessary in connection with the Proposed Project all upon terms and conditions determined to be in the best interests of the Authority

Appendix A
Site Plan