

MEMORANDUM

FEBRUARY 14, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
GEOFFREY LEWIS, SENIOR PROJECT MANAGER

SUBJECT: BUILDING 31, ALSO KNOWN AS THE MUSTER HOUSE, LOCATED AT
31 FIFTH STREET IN THE CHARLESTOWN NAVY YARD

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (“BRA”) (1) authorize the transfer of the leasehold from Werner and Patience Bundschuh, trustees of Royalston Trust, to Velji Realty, LLC; and (2) authorize the Director to execute any and all other agreements and documents that the Director deems appropriate and necessary with respect to the transfer of the leasehold interest in Building 31 in the Charlestown Navy Yard.

BACKGROUND

Velji Realty, LLC (the “Proponent”) proposes to purchase the Leasehold interest for Building 31 in the Charlestown Navy Yard, also known as the Muster House, located at 31 Fifth Street in Charlestown, Massachusetts (the “Muster House”). A Lease by and between the Boston Redevelopment Authority (“BRA”) and Michael J. Colarusso, trustee of MJC Realty Trust was dated April 7, 1997 (the “Lease”). Werner and Patience Bundschuh as Trustees of Royalston Trust (“Royalston”), acquired the interest in the Lease on July 28, 1999 and have operated the Muster House as an office since that time.

The Proponent intends to acquire the Lease from Royalston and make interior improvements to the Muster House. The Proponent intends to utilize the Muster House as an office for a business owned and operated by the Proponent.

It is the intention of the Proponent to negotiate an extension to the term of the Lease and update other provisions in the Lease. Staff will work with Mr. Velji on any amendments to the Lease and will be required to obtain BRA approval prior to entering into a Lease Amendment.

RECOMMENDATION

In order to maintain the historic nature of the Charlestown Navy Yard and preserve the BRA's assets, staff recommends that the BRA authorize the Director to: (1) authorize the transfer of the Lease for the Muster House from Werner and Patience Bundschuh, trustees of Royalston Trust, to Velji Realty, LLC; and (2) authorize the Director to execute any and all other agreements and documents that the Director deems appropriate and necessary with respect to the transfer of the leasehold interest in the Muster House.

Appropriate votes follow:

VOTED: That the transfer of the Lease from Werner and Patience Bundschuh, trustees of Royalston Trust, to Velji Realty, LLC be, and hereby is, authorized; and

FURTHER

VOTED: That the Director be and hereby is, authorized to execute any and all other agreements and documents, including a Landlord's Consent and Estoppel Certificate, that the Director deems appropriate and necessary with respect to the transfer of the Building 31 in the Charlestown Navy Yard Lease from Werner and Patience Bundschuh, trustees of Royalston Trust, to Velji Realty, LLC; and

FURTHER

VOTED: That the Director be and hereby is, authorized to negotiate the terms of an amendment to the Lease or an Amended and Restated Lease with respect to Building 31 in the Charlestown Navy Yard with Velji Realty, LLC.