

**MEMORANDUM**

**FEBRUARY 14, 2013**

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

**FROM:** HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT  
REVIEW  
CASEY A. HINES, PROJECT MANAGER

**SUBJECT:** ON LUCK HOUSING CHAPTER 121A PROJECT, CHINATOWN;  
DEMONSTRATION PROJECT AND ORDER OF TAKING

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**SUMMARY:** This Memorandum requests that the Boston Redevelopment Authority (“Authority”) take the following actions related to the On Luck Housing Chapter 121A Project, located at 25-31 Essex Street in Chinatown (the Project”): (1) authorization to establish a “demonstration project” under Massachusetts General Laws Chapter 121B, Section 46(f) for the On Luck Housing Project, located at 25-31 Essex Street in Chinatown; (2) adoption of a “Demonstration Project Plan” for the Project which grants the Boston Redevelopment Authority (the “Authority”) authorization to acquire a temporary construction easement from the Stanhope Realty Trust on its property located at Essex Street (Assessor’s Parcel 03-04975) (the “Temporary Easement”) by eminent domain and to license the use of the Temporary Easement to LE Housing Limited Partnership or related entity; (3) authorization to adopt an Order of Taking for the Temporary Easement; and (4) authorization to ratify and confirm the Notice of Intent to Take the Temporary Easement.

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**PROJECT SITE**

The site to be developed as part of the On Luck Housing Chapter 121A Project consists of five (5) adjacent properties in Downtown Boston: 11-13, 15-17, 19-21, 25-31 Essex Streets, and Hersey Place, a T-shaped alleyway that includes a 5 foot right-of-way in between 19-21 and 25-31 Essex Streets (“Project Site”). The Project Site currently features a twenty-eight (28)-unit residence for elders at 25-31 Essex Street known as the existing Hong Lok House, and vacant land that includes the former site of a small building at 11-13 Essex Street, whose historic façade is being held in storage for restoration. The Project Site also includes a historic façade and shell of a significantly deteriorated historic structure at 15-17 Essex Street, and a vehicular access easement to enter the Liberty Place parking garage on 19-21 Essex Street.

## **PROJECT BACKGROUND**

The original On Luck Housing Chapter 121A Project, also known as Hong Lok House, as constructed in 1980, consisted of an 11,084 square foot, five story building containing twenty-eight (28) residential rental units (18 efficiency units and ten one-bedroom units) and approximately 2,000 square feet of community space for elderly persons of low-income located at 25-31 Essex Street in the downtown neighborhood of the City of Boston (the “Original Project”).

On May 16, 2006, the Authority approved and adopted a Second Amendment to the Report and Decision (the “Second Amendment”). The Second Amendment approved the expansion of the Original Project and approved a transfer to a new Chapter 121A entity, On Luck Housing Limited Partnership, when financing for the project was secured. The expansion of the Original Project added an additional eight-story steel and masonry structure containing seventy-four (74) new low income elderly units and one manager unit, a senior center, an adult daycare, and related site improvements (the “Expanded Project”). Together, the “Original Project” and the “Expanded Project” shall hereinafter be referred to as “the Project”.

On March 13, 2008, the On Luck Housing Chapter 121A Project received Article 80 approval.

On December 14, 2010, the Authority approved a Third Amendment to Report and Decision (the “Third Amendment”). The Third Amendment approved the transfer of the Project to LE Housing Limited Partnership.

On August 9, 2012, the Authority authorized the Director to enter into a temporary License Agreement with Stanhope Garage, Inc. for the use of an Authority owned parcel located at 148 Shawmut Avenue and known as Parcel 5 in the South End Urban Renewal Plan.

## **DEMONSTRATION PROJECT AND DEMONSTRATION PROJECT PLAN**

On, November 14, 2012, the LE Housing Limited Partnership (the “Developer”) filed a Demonstration Project Application requesting that the Authority adopt a Demonstration Project and a Demonstration Project Plan for the acquisition, by eminent domain, of a temporary construction easement containing approximately 2653± square feet (the “Temporary Easement”), to aid the construction of the Project. Due to the constraints of the Project Site, it is impossible for the construction of the Project to proceed without the use of the Temporary Easement area, which is presently operated as an on-grade parking lot by the owner, Stanhope Realty Trust.

## REQUESTED AUTHORITY ACTION

In connection with the construction of the On Luck Housing Chapter 121A Project 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 a temporary construction easement containing approximately 2653± square feet on privately owned land adjacent to the Project site and to license the Temporary Easement to the Developer, or related entity.

## 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 On Luck Housing Chapter 121A Project (the “Project”); (2) adopt a “Demonstration Project Plan” for the Project which grants the Authority the authorization to acquire a temporary construction easement containing approximately 2653± square feet on privately owned land adjacent to the Project Site (the “Temporary Easement”) and to license the Temporary Easement to the LE Housing Limited Partnership, or related entity; (3) authorize the adoption of an Order of Taking for the Temporary Easement; and (4) ratify and confirm the Notice of Intent to Take the Temporary Easement.

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 On Luck Housing Chapter 121A Project (the “Project”), it is in the public interest that the Authority acquire a temporary construction easement containing approximately 2653 ± square feet on privately owned land;
- (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 Project: the Authority shall acquire title to a temporary construction easement containing approximately 2653 ± square feet on privately owned land adjacent to the Project Site (the “Temporary Easement”) and license the Temporary Easement to LE Housing Limited Partnership or related entity. The Director is hereby authorized on behalf of the Authority to execute such instruments or agreements 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 a temporary construction easement containing approximately 2653 ± square feet on Essex Street in 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 Notice of Intent to Take the Temporary Easement; 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 Demonstration Project, including but not limited to a Land Damage and Settlement Agreement, or License Agreement for the operation of an on grade parking lot, as, in part , a replacement parking facility on Parcel 5 of the South End Urban Renewal Plan area, located at 148 Shawmut Avenue, South End.