

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
DAVID CARLSON, SENIOR ARCHITECT, URBAN DESIGN
GEOFFREY LEWIS, SENIOR PROJECT MANAGER

SUBJECT: PARCEL 39A, HISTORIC MONUMENT AREA OF THE
CHARLESTOWN NAVY YARD IN THE CHARLESTOWN URBAN
RENEWAL AREA, PROJECT NO. MASS R-55

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (the "BRA") take the following actions regarding the Starboard Place (AKA Building 39A) project in the Charlestown Navy Yard (the "Project"): (1) adopt the Resolution titled, "Final Designation of Kavanagh Advisory Group, LLC, or related entity, as the Redeveloper of Parcel 39A in the Charlestown Navy Yard, in the Charlestown Urban Renewal Area, Project No. Mass R-55."; and (2) authorize the Director to enter into a Term Sheet and Lease for the Project.

INTRODUCTION

Parcel 39A (the "Parcel") in the Historic Monument Area (the "HMA") of the Charlestown Navy Yard in the Charlestown Urban Renewal Area, Project No. Mass R-55, is a vacant parcel of approximately 13,710 square feet owned by the Boston Redevelopment Authority (the "BRA"). The Parcel is located at the corner of First Avenue and Ninth Street in the Charlestown Navy Yard, adjacent to Building 39. The Parcel is subject to the design guidelines outlined in the Program for Preservation and Utilization ("Design Guidelines") because it is located in the HMA within the Charlestown Navy Yard.

PROJECT HISTORY

On June 16, 2011, the BRA authorized the Director to issue a Request for Proposals ("RFP") for the Parcel. The RFP was issued in September 2011 and responses were due on December 2, 2011. BRA staff found that the proposal by the Kavanagh Advisory

Group, LLC, met the criteria and objectives outlined in the RFP and tentatively designated the Kavanagh Advisory Group, LLC, as the Redeveloper of the Parcel.

The Redeveloper filed a Letter of Intent on October 12, 2012, in accordance with the BRA's policy on the provision of mitigation by development projects in Boston, as outlined in Mayor Thomas M. Menino's Executive Order of October 10, 2000, as amended. The BRA determined that compliance with the Mayor's Executive Order would be achieved by requesting that the Charlestown Neighborhood Council (the "CNC") review the Proposed Project. The CNC process is well established and effective in Charlestown. The CNC is a locally elected body that conducts regular public meetings and provides comments to assist various City agencies on matters such as those outlined in the Mayor's Executive Order regarding mitigation on development projects in Boston.

On November 26, 2012, the Redeveloper submitted a Project Notification Form ("PNF") for a 4 story, approximately 48,000 square foot residential building consisting of a total of fifty-four (54) residential units (the "Proposed Project"). Notice of receipt of the PNF was published in the Boston Herald on December 1, 2012.

Several meetings were held near the Project Site and on January 24, 2013, a publicly advertised community meeting was held at the Constitution Inn. The CNC voted to support the project with a proviso requesting the Redeveloper to provide 54 on-site parking spaces at their February 5, 2013 meeting.

The Charlestown Navy Yard is a National Historical Park, and its redevelopment is required to comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Proposed Project has been designed to conform to the HMA Design Guidelines as outlined in an agreement between the National Park Service, Massachusetts Historical Commission, Boston Landmarks Commission, and the BRA.

DEVELOPMENT TEAM

The development team consists of John E. Kavanagh, President and CEO of Kavanagh Advisory Group, LLC as the developer; Joel Bargmann of BH+A Architects as the Architect; Don Wiest of BDLWT&G as zoning attorney; and Andrew Kara as Counsel.

PROPOSED PROJECT

The Proposed Project is a 4 story, approximately 48,000 square foot residential building consisting of a total of fifty-four (54) residential units. The required off-street parking for the Proposed Project is thirty-three (33) spaces, and this parking will be fully

accommodated in the Building 199 parking garage. The ground lease for Building 199 requires that at least 500 parking spaces be dedicated to buildings in the HMA.

The four-story building, which will have a brick façade and a hipped roof, and features massing contextual to its setting, is designed in compliance with the provisions of the Program of Preservation and Utilization referred to in the deed dated July 7, 1978, from the General Services Administration to the BRA. The Proposed Project requires approvals from the National Park Service to comply with the Design Guidelines dated June 28, 1991. These approvals were obtained via a letter from Alissa McCann of the National Park Service dated February 16, 2006.

The Proposed Project is located in the HMA and within the Charlestown Navy Yard subdistrict of the Harborpark District. The Parcel is zoned B1-U, thus the Proposed Project's multifamily residential use is permitted. Dimensional and other zoning controls will be supplied pursuant to a Ground Lease between the BRA and the Redeveloper.

The Proposed Project is also in compliance with the Charlestown Urban Renewal Plan, as amended.

AFFORDABLE HOUSING

In accordance with the Inclusionary Development Policy, as amended (the "IDP"), the development of the Proposed Project will require the creation of an amount of affordable housing units equal to fifteen percent (15%) of the market-rate housing units included in the Proposed Project (the "Affordable Units"). The Proposed Project will include eleven (11) Affordable Units, including seven (7) at less than or equal to seventy percent (70%) of the Area Median Income ("AMI") and four (4) at less than or equal to eighty percent (80%) of the AMI.

PROJECT FINANCING

The Redeveloper has submitted evidence of sufficient equity and a commitment to finance the Project, both to the satisfaction of the BRA. The equity and construction loan amount are sufficient to develop the Project as approved.

RECOMMENDATION

To facilitate the redevelopment of the Historic Monument Area in the Charlestown Navy Yard and create additional housing opportunities in the City of Boston, BRA staff has determined that the Redeveloper has met the requirements necessary to receive Final Designation. Therefore, it is staff's recommendation that the Authority: (i) adopt a resolution entitled "Final Designation of Kavanagh Advisory Group, LLC, or related

entity, as Redeveloper of Parcel 39A, in the Charlestown Urban Renewal Area Project No. Mass. R-55"; and (ii) authorize the Director to enter into a Lease Term Sheet and Lease with the Redeveloper.

Appropriate votes follow:

VOTED: That the Boston Redevelopment Authority hereby adopts the Resolution of the Boston Redevelopment Authority dated March 14, 2013 re: Final Designation of Kavanagh Advisory Group, LLC, or related entity, as Redeveloper of Parcel 39A, in the Charlestown Urban Renewal Area Project No. Mass. R-55; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to enter into a Lease Term Sheet and Lease with Kavanagh Advisory Group, LLC., or a related entity created and controlled by Kavanagh Advisory Group, LLC, for the purpose of the redevelopment of the Parcel 39A, all upon terms and conditions determined to be in the best interest of the BRA, by the Director, in his sole discretion.