

MAY 16, 2012

BOSTON REDEVELOPMENT AUTHORITY

**FIRST AMENDMENT TO REPORT AND DECISION
ON THE NORTHAMPTON TOWER CHAPTER 121
PROJECT FOR THE APPROVAL, UNDER
MASSACHUSETTS GENERAL LAWS, CHAPTER
121A AND THE ACTS OF 1960, CHAPTER 652,
BOTH AS AMENDED, OF THE AMENDMENT TO
THE PREVIOUSLY APPROVED NORTHAMPTON
TOWER CHAPTER 121A PROJECT, TO ALLOW
FOR CHANGES IN THE PROJECT AREA AND
FINANCING STRUCTURE**

A. Prior Proceedings and Actions. Reference is made to the following:

1. On September 13, 2012, the Boston Redevelopment Authority (the "Authority") voted to adopt a Report and Decision (the "Report and Decision") on a Project known as the Northampton Tower Chapter 121A Project (the "Project"). Such vote was approved by the Mayor of the City of Boston (the "Mayor") on September 17, 2012, and the vote so approved was filed with the Clerk of the City of Boston (the "City Clerk") on September 25, 2012. Trinity Northampton Phase One Limited Partnership, a Massachusetts limited partnership was designated in the Report and Decision as the Chapter 121A entity to own, operate and manage the Project.

2. The Project, as herein defined, is owned by the Boston Public Health Commission ("BPHC") and is located in the South End/Lower Roxbury neighborhood of Boston, located at 35 Northampton Street between Albany Street and Harrison Avenue, and part of 860 Harrison Avenue between Massachusetts Avenue and Northampton Street, one block from the Boston Medical Center and Boston University Medical Campuses. The Project site is on the Northampton Street Campus, which comprises 3.3 acres and is bound by Massachusetts Avenue on the north side, Albany Street on the east side, Northampton Street on the south side, and Harrison Avenue on the west side (the "Project Area"). The Project includes an approximately \$56 million renovation of the 35 Northampton Street Tower (the "Tower") that will include elevator system upgrades, new energy efficient windows, exterior façade repairs, a new roof, renovated and code compliant trash chutes, new laundry rooms on every other floor, unit improvements, including all new and upgraded kitchens, a new storage closet, new low flow plumbing fixtures, blinds, and paint throughout. The

Project will also include the conversion of two (2) existing office floors into eleven (11) new handicapped accessible residential units (there are currently no accessible units) which will increase the number of units in the Tower to 245, and the creation of a new lobby, management office, mailroom, 1,900 square foot corridor system between the Tower and the adjacent residential building at 860 Harrison Avenue (collectively the "BPHC Campus"), and elevator to access the parking garage (the "Project").

B. Application to modify the Project Area and Financing Structure. Trinity Northampton Phase One Limited Partnership (the "Applicant") has applied to the Authority pursuant to the provisions of Massachusetts General Laws, Chapter 121A and Chapter 652 of the Acts of 1960, both as amended and applicable (together, "Chapter 121A"), and any rules and regulations of the Authority that may be applicable hereto, for: (i) approval of an amendment to the Project Area; (ii) approval of zoning deviations associated with the amendment to the Project Area; (iii) a modification to the Project's financial structure; and (iv) other associated and minor modifications requested therewith. The Applicant, on April 10, 2013, filed an application entitled, "APPLICATION OF TRINITY NORTHAMPTON PHASE ONE LIMITED PARTNERSHIP TO THE BOSTON REDEVELOPMENT AUTHORITY FOR MODIFICATIONS TO THE TRINITY NORTHAMPTON TOWER CHAPTER 121A PROJECT APPROVED UNDER GENERAL LAWS CHAPTER 121A, AND PURSUANT TO THE ACTS OF 1960, CHAPTER 652, BOTH AS AMENDED" (the "Amendment Application").

C. Authority Action. **The Authority is acting hereunder pursuant to General Laws Chapter 121A, as amended and applicable ("Chapter 121A"), specifically Sections 11 and 18C thereof, the Acts of 1960, Chapter 652 ("Chapter 652"), as amended and applicable, specifically Section 13A thereof, and all other applicable sections or provisions of Chapters 121A and 652 and the Authority's "Rules and Regulations Governing Chapter 121A Projects in the City of Boston", as amended and applicable. Further, the Authority in acting hereunder has considered the Amendment Application and all documents or exhibits filed therewith or attached thereto, and all documents or other materials presented at the Authority's meeting on May 16, 2013, and all representations made by the Applicant, sufficient in its judgment to enable it to act as hereinafter set forth.**

D. Decision. The Authority hereby acts as follows:

1. *Approval.* The Amendment Application is hereby approved only to the extent hereinafter set forth and the Report and Decision is amended further only to the extent hereinafter set forth. If there is any conflict or inconsistency between the terms and conditions of the Amendment Application and those of this document ("First Amendment to Report and Decision"), those of this First Amendment to Report and Decision shall apply and govern.

2. *Changes to the Project Area.* The BPHC houses social service agencies which are being displaced by the installation of the handicapped accessible residential units in the lower floors of the Project. The BPHC is actively seeking alternative space for these agencies. However, the BPHC may need to relocate these agencies to the second floor of 860 Harrison Avenue (the "PHC Office Space"), which would require an amendment to the Project Area and additional zoning deviations to allow for office use, as requested in the Amendment Application (the "Amended Project Area"). The Applicant is requesting to add the PHC Office Space to the Project Area, contingent upon the BPHC not finding an alternative space. The inclusion of the PHC Office Space and the final Project Area will be finalized in the Regulatory Agreement, pursuant to Section E of this First Amendment to Report and Decision.

3. *Financing.* The Applicant is requesting an adjustment to the Project's financial structure whereby the Applicant would acquire a long term leasehold interest in the Project from BPHC Northampton Development Corp., Inc., an affiliate of the BPHC, rather than a fee interest with a purchase money mortgage, as previously contemplated, in order to maximize the low income housing tax credits available for rehabilitation (the "Amended Financing").

The financing for the Project will continue to come from a variety of sources including construction and permanent mortgage financing, state and city affordable housing loans, and equity from low income housing tax credits, but will now include the present value of lease payments in lieu of a PHC purchase money loan. The

summary of the current anticipated sources of financing for the Project is attached as Appendix 6 to the Amendment Application.

4. *Affordable Housing.* The Authority confirms that the Project will continue to consist entirely of affordable housing (except for the portion of the Project containing the property management office, and PHC Office Space if such area is necessary). In regards to the residential units, seventy-five percent (75%) of the units will now be affordable to households earning up to 60% of Area Median Income (“AMI”) and the remaining 25% of the units will be affordable to households earning up to 70% of AMI. There will be a transition period in which existing tenants, a portion of whom do not meet these income guidelines, may be held over. As these non-qualifying tenants turnover, these units within the Project will be filled with tenants qualifying within the income limits set forth herein.

5. *Minimum Standards.* The minimum standards for financing, construction, maintenance and improvement of the Project as set forth in Section J of the Report and Decision, as amended in this First Amendment to Report and Decision, are hereby adopted and imposed as Rules and Regulations applicable to the Project, as amended, for the same period as the Project is subject to the provisions of Chapter 121A and Chapter 652.

6. *Request for Deviations.* As set forth in Appendix 11 of the Amendment Application, the Applicant requires certain adjustments to the zoning deviations previously approved for the Project in the Report and Decision, to reflect the potential for a new Project area, including the PHC Office Space. The Authority grants exceptions from the applicable dimensional regulations with respect to: (a) Maximum Floor Area Ratio (addition of corridor); (b) Minimum Usable Open Space (conversion of the existing two (2) office floors into eleven (11) new residential units and pre-existing non-conforming condition); (c) Maximum Building Height (pre-existing non-conforming 29-story, 287’ Building and construction of a new 18’ high connecting corridor from the Building to new centralized Campus operational facilities at 860 Harrison Avenue); (d) Use deviation to permit the conversion of nine (9) residential units consisting of 5,443 square feet on the second floor of 860 Harrison Avenue into office space; and (e) Off-Street Parking, as no parking spaces are being dedicated to the Project, in light of the availability of the adjacent 539-space garage, which is open to the public, in addition to its use under a lease with the Boston Medical Center. The Authority hereby approves the requested deviations and grants the Director the authority to approve minor adjustments in the plans, including the dimensions of the buildings, in the context of design review by the Authority staff.

7. *Findings and Determinations.* The Authority hereby finds and determines that: (a) the Amended Project Area and the Amended Financing, as

approved in this First Report and Decision Amendment, do not constitute a “fundamental change” in accordance with Chapter 652, Section 13A; and (b) except to the extent inconsistent with or contrary to the provisions of this First Report and Decision Amendment, all of the findings, determinations, approvals and consents contained in the original Report and Decision, including those zoning deviations granted therein as modified by the deviations granted herein, are hereby ratified and confirmed in all respects.

8. *Original Report and Decision.* All provisions of the Report and Decision not specifically amended, revised by or inconsistent with, this First Report and Decision Amendment shall remain in full force and effect.

E. Further Aspects of this First Amendment to Report and Decision. In addition to such minimum standards set forth in paragraph D.6 above, the Authority hereby requires that the Applicant, prior to or contemporaneously with the closing of financing for the Project: (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of Chapter 121A, Section 18C, in similar form as the Regulatory Agreement attached as Appendix 8 to the Amendment Application, with such changes as the Director of the Authority may in its discretion deem necessary and appropriate (“Regulatory Agreement”); (2) enter into a 6A contract for the Project with the City of Boston under Chapter 121A, Section 6A, the terms and conditions of which must be acceptable to the Commissioner of Assessing (“6A Contract”); (3) submit to the Authority for its review and approval all plans and specifications for the Project as the Authority may require and accept such changes and modifications thereto as the Authority may deem necessary or appropriate; and (4) adhere to such design review requirements as the Authority in its discretion may impose.

F. Authorization to Execute Documents. The Authority’s Director is hereby authorized to execute, in the name and on behalf of the Authority, any and all agreements, instruments or documents required or authorized by this First Report and Decision Amendment and any estoppel certificate or like instruments to and for governmental bodies, lenders or other interested parties, at this discretion, that confirm matters covered by this First Report and Decision Amendment.

G. Severability. In the event any provisions of this First Report and Decision Amendment shall be held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions thereof, or of the Report and Decision.

