

MEMORANDUM

NOVEMBER 14, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
DAVID CARLSON, SENIOR ARCHITECT
JOHN FITZGERALD, SENIOR PROJECT MANAGER

SUBJECT: PUBLIC HEARING FOR THE DEVELOPMENT PLAN FOR PLANNED
DEVELOPMENT AREA NO. 96, GOVERNMENT CENTER GARAGE
REDEVELOPMENT PROJECT AND TO CONSIDER THE
GOVERNMENT CENTER GARAGE REDEVELOPMENT PROJECT AS A
DEVELOPMENT IMPACT PROJECT

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (“BRA” or “Authority”) authorize the Director to: (1) issue a Preliminary Adequacy Determination waiving the requirement of further review of the Government Center Garage Redevelopment Project (the “Proposed Project”) pursuant to Section 80B-5.4(c)(iv) of the Boston Zoning Code (the “Code”); (2) issue one or more Certifications of Compliance or Partial Certifications of Compliance, as required, under Section 80B-6 for the Proposed Project upon successful completion of the Article 80 Large Project Review process; (3) approve the Development Plan for Planned Development Area No. 96, the Government Center Garage Redevelopment Project, Government Center/Markets District (the “PDA Plan”), and authorize the Director to petition the Zoning Commission for the approval of the PDA Plan and the accompanying map amendment to Map 1H, Government Center/Markets District, (4) issue one or more Certifications of Consistency or Partial Certifications of Consistency for the Proposed Project, pursuant to Section 80C-8 of the Code upon successful completion of the Article 80 Planned Development Area Review processes; and (5) execute and deliver a Cooperation Agreement, an Affordable Housing Agreement, a Development Impact Project Agreement, a Boston Residents Construction Employment Plan, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project and the PDA Plan.

BACKGROUND

The Proposed Project Proponent is Bulfinch Congress Holdings, LLC (“BCH”), a Delaware limited liability company, its successors and assigns (the “Proponent”). The members of BCH are: UKI Boston LLC, c/o Britannia Pacific Properties, Inc., 621 Capitol Mall, Suite 1900, Sacramento, CA 95814; and National Electrical Benefit Fund, 900 Seventh Street, N.W., 9th Floor, Washington, DC 20001. The HYM Investment Group, LLC is the designated representative of BCH.

The existing garage, known as the Government Center Garage, was originally constructed as a nine (9) level off-street parking garage pursuant to an urban renewal Land Disposition Agreement dated August 9, 1966 between the BRA and the City of Boston (“City”), recorded in Suffolk Registry of Deeds (“Deeds”) at Book 8119, Page 490, and a Deed dated May 16, 1967 from the BRA to the City, recorded in Deeds at Book 8119, Page 507. The existing garage was constructed by the City pursuant to a building permit issued on June 14, 1967, and, according to the records of the Inspectional Services Department, the construction was certified to have been completed on February 14, 1972. In 1983, the City conveyed the garage property to a private developer pursuant to a Sale and Construction Agreement dated December 21, 1983, recorded in Deeds at Book 10700, Page 87, and pursuant to a Deed dated December 21, 1983 from the City to the Trustees of Government Center Garage Realty Trust, recorded in Deeds at Book 10700, Page 78. The garage was then improved with the addition of two (2) floors of office space, ground floor retail space and additional parking spaces. The existing garage presently contains approximately 2,310 parking spaces, 256,532 square feet of office space and approximately 37,602 square feet of retail space at a present height of eleven (11) stories and 143 feet.

PROPOSED PROJECT

The Site consists of approximately 209,949 square feet, or 4.82 acres (exclusive of Merrimac Street/Congress Street), bounded generally by New Sudbury Street, Bowker Street, New Chardon Street and North Washington Street (aka: John F. Fitzgerald Surface Road). The Proposed Project provides for the subdivision of the Site into two main parcels: the “West Parcel”, which is to be bounded by Congress Street, New Chardon Street, Bowker Street and New Sudbury Street; and the “East Parcel”, which is to be bounded by Congress Street, New Sudbury Street, North Washington Street (aka: John F Fitzgerald Surface Road) and New Chardon Street. The Parcels may each be held in separate ownership in the future and each Parcel may be further subdivided into buildings or groups of buildings, being developed in sequence or phases, and hereinafter referred to as “Components” or “Project Components”.

The Proposed Project consists of the development of the Site with approximately 2.9 million square feet of gross floor area, of which 2.3 million gross square feet consists of new transit-oriented, mixed use development and the remaining area consists of approximately 1,159 garage parking spaces. The Proposed Project will introduce 812 new housing units, 196 new hotel rooms, approximately 1.15 million square feet of office space, 82,500 square feet of retail space and 1,159 parking spaces ("Proposed Project"). The Proposed Project includes the construction of six new components, three on the portion of the site west of Congress Street (the "West Parcel") and three on the portion of the site east of Congress Street (the "East Parcel"). The Proposed Project will include a reconfigured MBTA Haymarket bus facility.

Upon receiving comments and feedback from the community and the BRA, the Proponent agreed to lower both the height and density of the Proposed Project overall. Specifically, the Proponent has lowered the proposed 600-foot office building on the West Parcel (WP-B2) to 528 feet (representing a 12 percent reduction) and also lowered the proposed 275-foot proposed hotel/condominium building on the East Parcel (EP-B1) to 157 feet. In addition, the overall proposed square footage of new uses has been reduced by approximately 122,000 gross square feet. Combined, these changes will lessen the overall impacts of the Proposed Project.

The West Parcel components include: a 464-unit, 480-foot tall residential building (WP-B1); an approximately 1.0 million square foot, 528-foot tall office building (WP-B2); and a 291-unit, 299-foot tall residential building (WP-B3). All three West Parcel components include retail spaces, totaling approximately 20,000 square feet. The West Parcel components will be built around and above the portion of the existing garage that will remain and will include 1,159 parking spaces.

The East Parcel (EP) includes three components: a 157-foot tall building that includes 57 residential units, a 196-key hotel and 17,400-square foot of retail (EP-B1); a 152-foot tall building containing 143,500 square feet of office space and 20,300 square feet of retail space (EP-B2); and a 60-foot tall, 25,000-square foot retail building (EP-B3).

The existing public way known as Merrimac Street (Congress Street) located within the garage site is owned in fee by the Proponent. This area contains approximately 40,939 square feet and will be conveyed during the development of the Proposed Project to the City pursuant to an agreement among the City, the BRA and the Proponent upon the completion of Phase 2, Phase 3A or Phase 3B, as applicable, and the substantial removal of the garage structure over Merrimac Street (Congress Street) and the East Parcel. Furthermore, the Proposed Project contemplates the future acquisition and discontinuance of certain public easement rights and interests, which are to be acquired from the City with the assistance of the BRA, and which consist of approximately 8,013 square feet on the West Parcel and approximately 15,849 square feet on the East Parcel, all as shown on the PDA Site Plan. The Proponent shall be required to finalize any land

transfers and/or discontinuances required to construct a Project Component prior to construction of such Project Component.

ARTICLE 80 PUBLIC REVIEW PROCESS

On June 21, 2011, in accordance with the BRA's policy on mitigation as outlined in Mayor Thomas M. Menino's Executive Order Relative to the Provision of Mitigation by Development Projects in Boston, The HYM Investment Group, LLC on behalf of Bulfinch Congress Holdings, LLC submitted a Letter of Intent (the "LOI") for the Proposed Project.

The Proponent then submitted the Project Notification Form ("PNF") to the BRA on June 5, 2013 for agency and public review, in accordance with Article 80 of the Code. Notice of the receipt by the BRA of the PNF was published in the Boston Herald on June 6, 2013, which initiated the reconvening of the mayorally appointed Impact Advisory Group ("IAG") and a 30-day public comment period. The Proponent also agreed to an extension of the public comment period for an additional week, which was requested by the BRA and community.

Pursuant to Section 80B-5.3 of the Code, a scoping session was held on June 19, 2013 with the City of Boston's public agencies at which time the Proposed Project was reviewed and discussed. Members of the IAG were also invited to attend the scoping session.

Written comments in response to the PNF were submitted to the BRA from elected officials and the City's public agencies as well as community organizations and the general public (i.e., local residents and business owners). The Scoping Determination required that the Proponent respond to comments received from City and State agencies, elected officials, IAG and the public.

On August 9, 2013, the BRA issued the Scoping Determination, which outlined additional information and/or analyses required for continued agency and public review. The Proponent has engaged in a highly public and transparent process to inform reviewing city and state agencies, elected officials, community representatives, and the general public about the Proposed Project. To date, the Proponent has held dozens of meetings with various civic organizations, elected officials, and community representatives, including, but not limited to:

- Downtown North Association
- Beacon Hill Civic Association
- West End Civic Association
- Boston Harbor Association Staff
- Save the Harbor, Save the Bay Staff

- Greenway Conservancy Staff
- Friends of the North End Park Leadership
- North End Waterfront Residents Association (NEWRA)
- Mayor Menino and Staff
- Rep. Jay Livingstone
- Councilor Michael Ross (Staff)
- Councilor Sal LaMattina
- Senator Anthony Petrucelli
- Rep. Aaron Michelwitz
- Councilor-At-Large/City Council President Stephen Murphy
- City of Boston Neighborhood Services

In addition to the BRA public hearing held on June 19, 2013, the BRA review process included a series of IAG meetings - all of which were made open to the public and were publically advertised - to go over the Proposed Project and specific topics, as needed/requested. IAG working sessions were held on June 12, June 19, June 26, July 10, August 7, August 23 and September 26, 2013 at Boston City Hall that were made open to the public and were publicly advertised. The Proponent has also met with various city agencies/departments, various departments of the MBTA, and the Massachusetts Environmental Policy Act (“MEPA”) Office.

On August 23, 2013 the Proponent filed the Draft Project Impact Report (“DPIR”) with the BRA and commenced the 75-day comment period. The DPIR was initially reviewed by the IAG on September 26, 2013 and was subject to BRA and agency staff review on October 1, 2013. The BRA conducted a community meeting on October 7, 2013 on the DPIR as well as the PDA Plan. The DPIR and the PDA Plan set forth the final project design resulting from comments on the PNF both from the community and BRA staff. The 75-day comment period on the DPIR ended on November 6, 2013.

On September 13, 2013, the Proponent filed a Development Plan for Planned Development Area No. 96, that describes the Government Center Garage Redevelopment Project. The filing initiated a 45-day public comment period which ended on October 28, 2013.

The Proponent made presentations before the Boston Civic Design Commission (“BCDC”) on July 8, 2013, September 10, 2013, October 8, 2013; and on October 15, 2013 the Proponent appeared before BCDC and a Vote was taken to approve the Proposed Project.

PROJECT BENEFITS

The Proposed Project will provide the following public benefits to the City of Boston and the surrounding neighborhoods:

Public Realm

- Enhance the connectivity between the Bulfinch Triangle, Government Center, West End, North End and Beacon Hill as well as the emerging Market District.
- Create 18/7 activity by bringing new residents to an area that often has little activity after 5:00 pm.
- Dramatically improve the public realm and architectural character of Congress Street.
- Introduce sky and daylight along Congress Street between New Sudbury and New Chardon Streets.
- Create multiple new vistas, including new views of the Custom House Tower and iconic downtown buildings, such as 60 State Street and the Financial District towers.
- Create a new public plaza and promenade to serve as a gateway to and connector between the Bulfinch Triangle and the Rose F. Kennedy Greenway and facilitate pedestrian movement around the Surface Road/I-93 Ramp Parcel.
- Create retail-oriented public space that will continue the Market District northward and connect to Canal Street in the Bulfinch Triangle.
- Completely enclose the existing garage structure on the West Parcel on three sides with a dynamic ground-floor retail program and residential/office lobbies as well as apartment units on the upper floors of the existing garage on the West Parcel.
- Frame Congress Street as an important through-way and view corridor.
- Enhance and activate New Chardon and New Sudbury Streets with streetscape improvements and new ground-floor residential and office lobbies, and retail uses.
- Enhance the existing neglected and degraded public pedestrian mid-block connection along Bowker Street from New Sudbury Street to New Chardon Street.
- Create new urban open space opportunities at the street level on the corner of New Chardon and Congress Streets.
- Create new urban open space opportunities on the building rooftops while improving water quality and reducing heat island effect through green roofs/roof gardens for use by residents, tenants, and hotel guests.

Design

- Implement an innovative phased approach to:
 - Significantly improve the market viability of the Proposed Project;
 - Allow existing parking garage to remain operational during construction;
 - Limit construction impacts; and
 - Provide sustained construction jobs over a longer period.
- Unlock the potential of the East Parcel for the new public plaza and a dynamic and vibrant mixed use development.
- Upgrade the existing garage lobby entrance and installation of new garage elevators.
- Scale the height of the East Parcel buildings to be consistent with the Bulfinch Triangle.

Transportation

- Utilize the extensive transportation infrastructure currently serving the Proposed Project site, including MBTA subway lines (the Orange and Green Lines), the Haymarket Bus Station, and the I-93 entrance/exit ramps.
- Improve pedestrian safety and vehicular circulation by relocating the existing New Chardon Street garage entrance/exit to the Bowker Street/Hawkins Street intersection.
- Improve traffic circulation to the regional highway system and local roadway network by allowing vehicles exiting the Garage from Bowker Street to make a right turn onto New Chardon Street and go directly to I-93 Southbound (not currently allowed).
- With the relocation of the Garage entrance to Bowker Street, significantly improve the intersection of New Chardon Street and Merrimac/Congress Street for pedestrians, bicyclists and vehicles.
- Implement Boston Complete Street Guidelines with provision of new bicycle lanes and enhanced pedestrian facilities along Congress, New Chardon, and New Sudbury Streets.
- Provide secure on-site bicycle storage facility for residents and employees, and exterior at-grade short-term bike parking for visitors and customers, including an 850-space bicycle parking/storage facility with showers and changing rooms on the West Parcel.
- Provide for bicycle sharing opportunities by adding a Hubway bike sharing station on the East Parcel at the existing MBTA Haymarket bus facility.
- Provide garage parking for displaced BPD parking (42 spaces).
- Improve efficiency of and enhance public realm surrounding the MBTA Haymarket bus facility operations.

Environmental/Sustainability

- Take advantage of existing infrastructure developed to support the density of the downtown core.
- Revitalize an underutilized urban renewal era above grade structured parking garage, use land efficiently with dense mixed-use development, promote the use of alternative modes of transportation, encourage pedestrian activity, enhance the surrounding neighborhood, promote the use of local materials, provide for a high-quality indoor environment for users, and reduce environmental impacts both locally and globally.
- Incorporate sustainability throughout by thoughtfully planning for efficient use of energy and resources through all stages of design and during operations.
- Develop a framework to develop specific targets, goals and strategies for the Proposed Project (i.e., a project sustainability plan) to be used by the design team moving forward through the design process, construction, and into operations.
- Provide a unique and sustainable project through the redevelopment and reuse of the existing garage and by utilizing the Leadership in Energy and Environmental

Design (LEED) Green Building Rating System, in compliance with Article 37 of the City's Zoning Code (to target LEED Gold rating for office buildings and LEED Silver rating for residential buildings). At least one building will be LEED platinum, at least one building will be LEED silver, and the remaining buildings within the Proposed Project will be at least LEED gold.

- Create a "net zero energy" public space through the installation of solar panels on the East Parcel office building that will provide electricity for the plaza lighting and/or water features.
- Provide preferential parking spaces for low emission and clean-fuel vehicles at up to 5% of parking spaces in the garage and provide ten (10) Electric Vehicle (EV) charging stations.
- Provide for beneficial impacts on water quality through the process of redevelopment and updating to current stormwater management standards, including rainwater harvesting for on-site re-use, groundwater recharge and phosphorous mitigation.
- Lease and operate the buildings in a sustainable manner (i.e., following construction of each Component, develop Tenant Manual/Guidelines to ensure that the sustainability efforts are implemented throughout operation).

Social and Economic

- Become a catalyst for growth and redevelopment in the Government Center and Bulfinch Triangle neighborhoods.
- Support the City's goal of promoting diversification and expansion of Boston's economy by adding hotel uses to serve both business and tourist demands, and by creating new local jobs.
- Provide 812 new housing units with approximately 106 units designated as affordable, per Boston's Inclusionary Housing Policy.
- Encourage the diversification and expansion of Boston's economy in new areas of economic activity with the creation of a new Class A office building targeted to creative industry, technology, lifestyle and health care tenants in an area traditionally dominated by government tenants
- Support the future Boston Public Market by introducing new uses to the area, which will bring new residents, customers, and employees.
- Create over 2,600 construction jobs in all trades and over 6,000 permanent jobs (full-time and part-time).
- Create a total of approximately \$11 million in new annual local tax revenue.
- Provide approximately \$12.7 million in housing and jobs linkage (Development Impact Project Exactions) over the life of the Proposed Project.
- The Payment of a Project Impact Payment to the BRA based upon 2% of hard construction costs for Phases 1, 2 and 3, which hard construction costs are estimated at approximately \$600 Million Dollars resulting in a potential Project Impact Payment of approximately \$12 million. Such Project Impact Payment shall be

dedicated to public streetscape improvements in the area, including on-site public streetscape improvements undertaken by the Proponent.

ZONING

The Proposed Project is located within the Government Center/Markets District (the "District"), as established by Article 45 of the Code ("Article 45"), and is located within the Sudbury Street Restricted Growth Area. The Project Site is also situated in a Restricted Parking Overlay District.

On September 12, 2013, the BRA Board recommended an amendment to Article 45 of the Code to allow the creation of additional Planned Development Areas ("PDAs") within the Government Center/Markets District. This recommendation followed the BRA community meeting to review the Greenway Guidelines and the recommendation to create additional PDAs. On October 9, 2013, the Zoning Commission, acting upon the recommendation of the BRA, approved Text Amendment Application No. 446 and Map Amendment Application No. 639, which amended Article 45 and Map 1H, Government Center/Markets District, by expanding the areas in which PDAs may be permitted from one area to four areas and the Government Center/Markets District. The areas to be included are the existing Brooke Courthouse, the Government Center Garage Site, the Dock Square Garage Site, and the area around the eastern end of Faneuil Hall Market Place bounded by Clinton Street, John F. Fitzgerald Surface Road and State Street. The designation of such areas and the Text and Map Amendments allows for the review of the PDA Plan by the BRA and its recommendation to the Zoning Commission for adoption of an approval of the PDA Plan for Planned Development Area No. 96.

DEVELOPMENT IMPACT PROJECT ("DIP") EXACTION

The Government Center Garage Redevelopment Project constitutes a Development Impact Project ("DIP Project") under Article 80B-7 of the Code, and in accordance with Section 80B-5.4(c) (iv) and Section 80A-2 of the Code, the Authority published notice of this hearing in the Boston Herald on November 2, 2013. Based on the present plans, the Proponent will provide a Neighborhood Housing Trust payment contribution of approximately \$11,044,600 and a Neighborhood Jobs Trust payment contribution of approximately \$2,211,500. These estimated linkage payments are calculated as follows:

Housing Linkage:

DIP Uses	1,376,647 square feet
Exclusion:	<u>- 100,000</u>
	1,276,647 square feet
	x <u>\$8.34</u> /square foot
	\$10,647,236

Jobs Linkage:	
DIP Uses	1, 376,647 square feet
Exclusion	<u>100,000</u>
	1, 276,647 square feet
	x <u>\$1.67</u> /square foot
	\$2,132,000

AFFORDABLE HOUSING

The Proposed Project will include approximately 100 on-site affordable units.

RECOMMENDATION

Authority staff believes that the DPIR meets the criteria for the issuance of a Preliminary Adequacy Determination waiving further review. It is therefore recommended that the Authority approve the Proposed Project, the PDA Plan and the accompanying map amendment, and authorize the Director to: (1) issue a Preliminary Adequacy Determination waiving the requirement of further review of the Proposed Project pursuant to Section 80B-5.4(c)(iv) of the Code; (2) issue one or more Certifications of Compliance or Partial Certifications of Compliance, as required, under Section 80B-6 for the Proposed Project upon successful completion of the Article 80 Large Project Review process; (3) approve the Development Plan for Planned Development Area No. 96, the Government Center Garage Redevelopment Project, Government Center/Markets District (the “PDA Plan”) and the accompanying map amendment to Map 1H, Government Center/Markets District, and authorize the Director to petition the Zoning Commission for the approval of said PDA Plan and said map amendment, all in substantial accord with that presented at the BRA Board hearing on November 14, 2013; (4) issue a one or more Certifications of Consistency or Partial Certifications of Consistency for the Proposed Project pursuant to Section 80C-8 of the Code, upon successful completion of the Article 80 Planned Development Area Review processes; and (5) execute and deliver a Cooperation Agreement, an Affordable Housing Agreement, a Development Impact Project Agreement, a Boston Residents Construction Employment Plan, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project and the PDA Plan.

Appropriate votes follow:

VOTED: That the Director be, and hereby is, authorized to issue a Preliminary Adequacy Determination waiving further review of the Government Center Garage Redevelopment Project (the “Proposed Project”) under Section 80B-5.4(c)(iv) of the Boston Zoning Code (the “Code”), which: (i) finds that the Draft Project Impact Report adequately describes the

potential impacts arising from 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 Code, subject to continuing design review by the Boston Redevelopment Authority (“BRA”); and

FURTHER

VOTED: That the BRA hereby finds and determines that: (a) the Development Plan for Planned Development Area No. 96, PDA Plan, Redevelopment of the Government Center Garage (the “PDA Plan”) for the Proposed Project, dated November 14, 2013, conforms to the general plan for the City of Boston as a whole; (b) the PDA Plan is not for a location or project for which Planned Development Areas are forbidden by the underlying zoning; (c) the PDA Plan complies with any provisions of the underlying zoning that establish planning and development criteria, including public benefits, for Planned Development Areas; and (d) on balance, nothing in the PDA Plan will be injurious to the neighborhood or otherwise detrimental to the public welfare, weighing all the benefits and burdens; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue one or more Certifications of Compliance or Partial Certifications of Compliance pursuant to Section 80B-6 of the Code for the Proposed Project upon the successful completion of all Article 80 Large Project Review processes; and

FURTHER

VOTED: That the BRA approves the PDA Plan and the accompanying map amendment to Map 1H, Government Center/Markets District (“Map Amendment”), all in substantial accord with that presented at the BRA Board hearing on November 14, 2013; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to petition the Boston Zoning Commission for the approval of the PDA Plan for the Proposed Project pursuant to Section 80C of the Code and the accompanying Map Amendment, all in substantial accord with that presented to the BRA Board on November 14, 2013; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue one or more Certifications of Consistency or Partial Certifications of Consistency for the Proposed Project pursuant to Section 80C-8 of the Code upon approval

of the PDA Plan by the BRA and the Boston Zoning Commission and successful completion of the Article 80 Planned Development Area Review processes ; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute a Cooperation Agreement, an Affordable Housing Agreement, a Boston Residents Construction Employment Plan, and any and all other agreements and documents which the Director deems appropriate and necessary in connection with the Proposed Project and the PDA Plan, all upon terms and conditions determined to be in the best interests of the BRA.