

Copley Place Expansion Project CAC Meeting #9

Wednesday, November 19, 2008 Location: Copley Place – 4th Floor Office Level

CAC Attendees:

John Connolly, Back Bay Association
Gene Kelly, Resident of the Back Bay
Meg Mainzer-Cohen, Back Bay Association
Morgan Pierson, St. Botolph Neighborhood Association
Ted Pietras, South End Business Alliance
Mark L. Schmid, Trinity Church
Jolinda Taylor, Neighborhood Association of the Back Bay (NABB)
Judith Wright, Pilot Block Neighborhood Association

Ex-Officio Attendees:

Massachusetts State Representative Marty Walz Elizabeth Corcoran-Hunt, Office of Representative Byron Rushing

City of Boston Attendees:

Tabitha Bennett, Mayor's Office of Neighborhood Services Heather Campisano, BRA David Carlson, BRA Andrew Grace, BRA Mary Knasas, BRA Lauren Shurtleff, BRA

Simon Property Group Attendees:

Donna Camiolo, R.F. Walsh Project Management
Carl Dieterle, Simon Property Group
Kristi Dowd, R.F. Walsh Project Management
James Greene, Rubin and Rudman, LLP
Rob Halter, Elkus-Manfredi Architects
Jack Hobbs, R.F. Walsh Project Management
Bill Kenney, Simon Property Group
Carolyn Manoukian, R.F. Walsh Project Management
Dave Newman, The Strategy Group
Susan Tracy, The Strategy Group
Bob Walsh, R.F. Walsh Project Management

Members of the Public:

George Cramer, Cramer's Hair Salon Ann Hershfang, WalkBoston Burt Jaffee, Trinity Condominiums Tom Palmer, Kortenhaus Communications, Inc. Sheila Pelosi, Resident of Tent City Jackie Yessian, NABB

Meeting Summary

On Wednesday, November, 19, 2008, the ninth working session of the Copley Place Expansion Project Citizens Advisory Committee (CAC) was called to order at approximately 8:10 a.m. at Copley Place by Judith Wright, Pilot Block Neighborhood Association and CAC Chair.

Jack Hobbs, R.F. Walsh Project Management, began with a review of the meeting's proposed agenda. Jack then introduced Carl Dieterle, Simon Property Group, to the meeting attendees.

Carl began his presentation with a summary of his experience with mall anchor stores over the past 40 years. He spoke of the importance of department store branding and transit access in relation to a mall's location in an urban setting. The original Copley Place project was at the forefront in terms of figuring out how to provide goods and services to residents, in addition to offices, in a mixed-use environment. He added that in Boston, retail and residential uses are supported forms of expansion. The addition of a residential component to this project will further add to the mixed-use character of the development.

He explained that there are currently 102,000 shopping centers in the United States, 10% of which are enclosed malls with anchors; the others are strip malls. In order to justify building a mall, a significant population must exist nearby; city dynamics tend to resolve this issue. Transit is critically important because there is a need for parking in a traditional suburban mall setting. The retail landscape has changed in the past decade; every city used to have its own favorite department store, for example, Filene's and Jordan Marsh in Boston. Increased competition has changed this and now consolidated anchor stores are able to dictate margins because of their size.

The following questions and comments were raised by the CAC in response to Carl's discussion:

- Gene Kelly, Resident of the Back Bay, asked how the Copley Place Neiman Marcus compares to other anchors and how much additional square footage is needed in order for them to be competitive. Carl responded that anchor stores need to be the same size across all of their stores. The Neiman Marcus is currently 109,000-SF, which is considerably small for a market of this size. The store will become 160,000-SF as part of the expansion project.
- Massachusetts State Representative Marty Walz added that this Neiman Marcus is one of the smallest in the country.
- Mark Schmid, Trinity Church, added that it would be interesting to see figures regarding sales per square foot. Carl noted that this is not a question of a store surviving, but rather there is a need to be profitable, especially with all of the competition amongst department stores.
- Gene Kelly stated that he wants Neiman Marcus to succeed and added that he is trying to justify the residential tower. Carl responded that the BRA asked the proponent to incorporate the Winter Garden; otherwise Neiman Marcus would be 30,000-SF larger. David Carlson, BRA, added that the purpose of the Winter Garden is to recapture the open space that currently exists at the corner of Stuart and Dartmouth Streets. For decades, the City has advocated for a true Winter Garden.
- Representative Walz asked if the space would publicly-owned or privately-owned and used by the public. David explained that it is now privately-owned and used by the public, and it will continue to be used as such in the form of the Winter Garden.
- Ted Pietras, South End Business Alliance, asked about the cost of building out Neiman Marcus and the high rise and if the CAC will get a cost summary at some point. Jack

- responded that the proponent believes that the project cannot be built without the residential component.
- Representative Walz commented that she needs to understand the economics and the numbers associated with the project. Jack responded that this is private information and he cannot share it at this time.
- John Connolly, Back Bay Association, stated that it is an oversimplification to ask for the numbers behind the project, since the numbers are just estimates at this point and are likely to change.
- Meg Mainzer-Cohen, Back Bay Association, commented that it was interesting to see the
 cost justification as part of the Stuart Street Study, particularly in terms of how much profit
 above the bottom line must be shown in order for a project to move forward. She also
 noted that there was little or no benefit to the Columbus Center project when the project's
 financials were reviewed by the CAC associated with the project.
- Mark Schmid asked if there is a way to add more boutique space along Dartmouth Street.
 He also inquired about the possibility of adding another level. Carl responded that Neiman
 Marcus needs a certain at-grade footprint. He also added that going up a level is not
 necessarily viable as it takes you further from grade.
- Mark Schmid also inquired about the right balance between the size of the Winter Garden and the Neiman Marcus footprint. Carl responded that the proponent recognizes the existing public space is important and is comfortable with where they are today. Jack also added that there are two ways to present projects: one is to go to the community knowing you will have to reduce the program, and another is to present an optimistic design without the ability to cut back, which is where the proponent stands. He explained that ten stories cannot be cut from this project because the project will fail.
- Jolinda Taylor, NABB, inquired about design guidelines. David Carlson responded that it the original project, designed by The Architects Collaborative, was a state project on state land. Rob Halter, Elkus-Manfredi Architects, added that it was a similar situation in that had to solve an economic problem so it took a long time to come to fruition.

Next, Rob Halter gave a PowerPoint presentation on the Southwest Corridor and the community retail. The Southwest Corridor is owned by the MBTA and the proponent plans to meet with the agency shortly. The Southwest Corridor deck is directly over the MBTA Orange Line and Commuter Rail. Structurally, it cannot handle any new load, and the existing waterproofing and drainage systems are difficult to modify.

The Southwest Corridor provides the community with open space and connections. Existing issues include access, visual clutter and poor wayfinding and signage. Additionally, there are various issues regarding tree species and placement; the Linden trees are low in profile and block retail views, and the pits are undersized. The tree health in the area is failing and also unattractive. There are a variety of bollards and planters that do not match and there seems to be no apparent organization their in placement or style. There is definitely an opportunity to simplify the bollards. In addition, the surface mats are aging and are not ADA-accessible, the entire area is underlit, and there is a minimum level of security provided. Rob noted that while the proponent does not yet have a solution, they want to know if they have identified all of the major problems.

Rob discussed the new design for the exteriors of the community retail spaces, which will feature two-story bay windows. They plan to remove the dark glazing and canopy that exists

now. There is also a plan to soften the design at the entry of the Southwest Corridor and Dartmouth Street.

Questions and comments raised in response to Rob's presentation included:

- Morgan Pierson, St. Botolph Neighborhood Association, responded that he is encouraged by the proponent's identification of the issues within the Southwest Corridor. He added the community is not looking for a dramatic change, but would welcome some improvements.
- In response to a question from Meg Mainzer-Cohen, Rob indicated that it is possible that the MBTA will turn down the proponent's offer for improvements.
- Jolinda Taylor spoke about a possible public-private partnership to obtain money. She also commented that the Linden trees can be thinned. Rob responded that they are actually dying and will need replacement.
- In response to a question from Ted Pietras, Rob replied that the Commuter Rail access point is actually an emergency egress and therefore must remain.
- In response to a question from Meg Mainzer-Cohen, Jack responded that the proponent is certainly planning to contribute to the cost of improvements at the Southwest Corridor entrance, but at this point they are unsure as to what extent.
- Elizabeth Corcoran-Hunt, Office of Representative Byron Rushing, commented that bobcats in the winter break up the bricks and do a very good job clearing. She also added that DCR maintains it even though the MBTA owns it.
- Representative Walz asked if the proponent plans to remove the dark glazing above the community retail. Rob responded that in order to do so they would have to shut down Gucci and Banana Republic Men.
- Meg Mainzer-Cohen commented that they should consider installing pavers that draw people over to the community retail.
- Morgan Pierson asked if the entrance will be lit at night. Rob replied that they can have it glow in order to keep light from becoming a nuisance to the nearby residences at Tent City.
- Representative Walz inquired about billboard advertisements and if this could be a part of the public art component of the project. Meg Mainzer-Cohen added that it could be an opportunity to do something interesting.

Questions and comments from the public included:

- George Cramer, Cramer's Hair Salon, stated that his business is the only one that is not
 enclosed within the mall and asked what improvements can be made to bring more foot
 traffic to his salon. Jack responded that they are planning on improvements but noted that
 the original intent of the community retail was to serve and face the community and this will
 not change.
- Ann Hershfang, WalkBoston, asked if the metal bike rack by Copley Place could be removed. Rob responded that new bike racks will be installed throughout the site.

It was determined that the next CAC working session will be held on Wednesday, December 3rd and will include a discussion of public art.

The meeting was adjourned at approximately 10:00 a.m.