



**Downtown Waterfront Municipal Harbor Planning
Advisory Committee Meeting No. 33**
Wednesday, April 13, 2016
Boston City Hall, Piemonte Room

Attendees

Advisory Committee (“Committee”): Bruce Berman, Jesse Brackenburg, Marianne Connolly, Joanne Hayes-Rines, Nigella Hillgarth, Jill Valdes Horwood, Susanne Lavoie, Bud Ris, Meredith Rosenberg, Joe Ruggiero, Lois Siegelman

City of Boston (“City”): Richard McGuinness, Boston Redevelopment Authority (BRA); Lauren Shurtleff, BRA; Chris Busch, BRA; Erik Hokenson, BRA

Consultant Team: Matthew Littell, Utile; Craig Seymour, RKG Associates

Government Representatives: Lisa Engler, Office of Coastal Zone Management (CZM);

Members of the Public: Will Adams, Sylvia Bertrand, Victor Brogna, Don Chiofaro, L. Dargo, Forbes Dewey, Mary Holland, Pamela Humphrey, Jenny Kessler, Dorothy Keville, Gabor Korodi, Anne Kreider, Eric Krauss, David Lightfoot, Julie Mairaw, Arlene Meisner, Norman Meisner, Sy Mintz, Thomas Nally, Tom Palmer, Chris Regnier, Erik Rexford, Duncan Richardson, West Stimpson, Heidi Wolf, Bill Zielinski

Meeting Summary

Mr. Richard McGuinness, BRA, opened the meeting at 3:10 PM by introducing BRA staff and the consultant team and reminding the Committee of the on-going [Northern Avenue Bridge Ideas Competition](#). He introduced the topic of the afternoon’s meeting with a brief summary of substitute provisions, which are modifications to the state-wide numerical standards for development on filled and flowed tidelands as promulgated by the Commonwealth of Massachusetts through Massachusetts General Laws Chapter 91. Substitute provisions, which are developed through a municipal harbor plan (MHP), allow for these standards to be tailored to the local built environment, but whose adverse impacts (e.g. wind, shadow, etc.) must be mitigated, or offset, to ensure a comparable or better waterfront. Mr. McGuinness stated that RKG Associates had been hired to analyze the offsetting strategies for four comparable developments in previous MHPs – Atlantic (Russia) Wharf, Lovejoy Wharf, Fan Pier, and Pier 4 – and invited Mr. Craig Seymour, RKG Associates, to present his analysis and conclusions.

Mr. Seymour noted that the MHP process under Chapter 91 is arguably the most unique planning exercise encountered in his professional career. His firm’s scope of work included reviewing applicable MHPs and Chapter 91 licenses; interviewing property developers and owners; and analyzing other published information; all in order to determine if there are standards, or “rules of thumbs”, that could be applied in order to provide a more predictable

and sound Chapter 91 mitigation strategy in the future. Mr. Seymour was able to make a number of findings based upon this analysis, but cautioned that those hoping for data-rich or quantitative conclusions would be disappointed. Mr. Seymour provided the four key findings of RKG Associates' report:

1. Not only does each development project vary physically, but they do so temporally, particularly within real estate cycles, which impacts funding and development approaches.
2. Costs related to Chapter 91 mitigation are just one of many elements that are factored into a developer's prospective analysis, much like inclusionary development and workforce development exactions. The magnitude of these costs vary widely relative to other project costs and are often dictated by the physical conditions of a specific site and/or its geographic location.
3. Many, if not most, offsets required by Chapter 91 licenses add value to development projects, such as an activated public realm, but such benefits are difficult to quantify.
4. The lengthy time required for Chapter 91 licensing add significant uncertainty and, therefore, risk to a project, which impacts its underwriting and finances. Additionally, the level of detail for offsetting measures, combined with the fact that these elements are negotiated relatively early in the permitting process, frequently results in later modifications to meet changing market conditions and/or additional entitlement requirements. The requirements for on-going facilities management does not appear to be a significant issue, though project size and type should be considered.

Mr. Seymour summarized the four development projects included in the analysis, providing comparative lists of the baseline requirements (e.g. Harborwalk) and offsetting measures (e.g. financial contributions to a fund for watershed activation and enhancement) for each project. Mr. Bud Ris, MHPAC Member, asked if payments made by Atlantic Wharf were one-time or installation. Mr. Seymour answered that they were (are) both. Mr. Bruce Berman, MHPAC Member, noted that these funds have enabled hands-on marine education for students and that the BSA Space has activated the area. He thanked both Boston Properties and the Fort Point Channel Operations Board, comprised of Boston Properties, the BRA, and CZM, which manages the fund. Mr. Tom Palmer, Harbor Towers, requested clarification between baseline requirements and offsets, noting that they both appeared to be forms of mitigation. Mr. McGuinness explained that the baseline requirements are for any development project – regardless of size – that facilitate access to and enjoyment of the waterfront. These include provisions such as the water-dependent use zone, facilities of public accommodation (FPAs) on the ground level of Commonwealth tidelands, license fees, etc. The offsets mitigate the impacts of the substitute provisions (e.g. additional height or lot coverage).

Upon the conclusion of Mr. Seymour's presentation, Mr. McGuinness outlined the choices for an offset strategy for the Downtown Waterfront: each project supports a specific public benefit

and/or each project provides payment to a central fund for public benefits district-wide. Additionally, offsets can be on-site, adjacent, or area-wide improvements; improvements to identified public areas, such as Special Public Destination Facilitations (SPDFs) (e.g. New England Aquarium, or NEAq); or improve connectivity (e.g. access to waterfront, water transportation, etc.). Different developments have taken different approaches. For example, Fan Pier's offsets were entirely on-site and include public infrastructure, civic/cultural space, and open space. Atlantic Wharf provided funds for public benefits adjacent to the site, while Lovejoy Wharf emphasized connectivity. Mr. McGuinness noted that key connections include two of the proposed developments in the Downtown Waterfront: Hook Lobster at Seaport Boulevard and Northern Avenue and Marriott Long Wharf, where Christopher Columbus Park meets Long Wharf. Ms. Lois Siegelman asked if the concept of connectivity includes from the waterfront to the Rose Kennedy Greenway. Mr. McGuinness confirmed this and added that it also includes connectivity to the Harbor Islands.

Mr. Berman asked if improvements that enhance resilience, particularly to sea level rise and storm surge, will become baseline standards. Mr. McGuinness replied that any building must meet the construction and engineering standards, but that district-wide resilience measures could be considered public benefits.

Mr. Palmer asked if the per square foot costs of baselines and offsets provided by Mr. Seymour were for baselines or offsets. Mr. Seymour replied that they were both, if available. He cautioned that some costs were either unavailable or not provided and the numbers are based upon the available information. Mr. Matthew Littell, Utile, asked if they were relative to construction or development costs. Mr. Seymour reiterated that they were based upon what information was provided and therefore vary from project to project. He continued that a recommendation based upon his findings is to better track these costs given the lack of public information.

Mr. Ris stated that the City of Boston's Climate Ready initiative, in which he is participating, will soon be releasing a report detailing climate impacts, including sea level rise. Mr. McGuinness noted that the Downtown Waterfront MHP is incentivizing the relocation of building mechanicals to upper floors by allowing additional height in the planning area and concurred that the timing of this discussion is auspicious. Mr. Ris continued that it would be appropriate and beneficial to determine the costs associated with the public benefits identified through the process. Mr. Littell responded that the numbers have been compiled and will be organized and shared. He wondered if there are any benefits to pooling mitigation funds. Mr. McGuinness replied that there is, exemplifying the city's inclusionary development policy (IDP). Mr. Palmer asked if there has been an MHP process where the pooling worked. Mr. Berman answered with the Fort Point Downtown MHP. He caveated that the South Boston Waterfront MHP was a unique development scenario where an anchoring civic/cultural space (i.e. the Institute of Contemporary Art, or ICA) would enhance the value of the area and that some of the sites of the Downtown Waterfront MHP planning area are very constrained, such as the Hook Lobster

site. He concluded that it is his understanding NEAq is initiating a long-term planning process that will identify improvements that could be funded through mitigation monies.

Mr. McGuinness provoked additional discussion on pooling funds versus specific projects. Ms. Jill Valdes Horwood, MHPAC Member, reiterated Mr. Berman's point that pooling funds is only successful with the presence of active and strong governance, such as the Fort Point Channel Operations Board. Mr. McGuinness concurred, but countered that Everett's Central Waterfront MHP, which includes substitutions for the proposed Wynn casino, prioritized a list of potential public benefits as mitigation, thus providing flexibility for development costs and timing. Mr. Ris posited that it is impossible to evaluate the possibility of pooling without knowing what the cost of the public benefits are. Mr. Berman, alluding to the Hook Lobster site, argued that baseline costs are going to be significant for some of the projects, but are not credited as mitigation, and in these instances a development would be an improvement without much additional mitigation.

Mr. Palmer asked what the baseline improvements for the three proposed developments in the planning area would be. Mr. McGuinness replied that neither Marriott Long Wharf nor Harbor Garage have a waterfront and therefore do not have to provide a Harborwalk and would only have to provide FPA on the ground level if the footprint of the building is on Commonwealth tidelands. The Hook Lobster site's baseline comprises a Harborwalk and FPA over the flowed tidelands.

Mr. McGuinness informed the Committee that he would provide the rough costs of the identified public benefits that Utile had compiled at the next meeting.

Ms. Marianne Connolly, MHPAC Member, inquired about the process for developments along the East Boston waterfront. Mr. McGuinness explained that mitigation included specific on-site public benefits were assigned to specific projects.

Mr. Brackenbury, MHPAC Member, reiterated Mr. Ris' point that in the absence of the costs of the public benefits it would be inappropriate to decide to or not to pool mitigation funds. Mr. Berman concurred. Mr. Ris exhorted the Committee to return the discussion to making the waterfront the best possible in the world and what it would cost to achieve that feat. A member of the public bemoaned the lack of a comprehensive plan for the planning area. Mr. Berman replied that there is one, the [Downtown Waterfront Public Realm and Watersheet Activation Plan](#). Mr. McGuinness stated that for the next meeting in May, this plan would be reviewed and costs of public benefits would be presented and discussed.

Mr. Berman suggested that a clearer understanding of the order of magnitude of improvements NEAq is planning would be beneficial to the Committee. Ms. Nigella Hillgarth, MHPAC Member, replied that whatever is planned for Central Wharf must fit with the redevelopment of Harbor Garage and that the waterfront must be a cohesive area, instead of

discrete parcels. Mr. Berman agreed, but added that any information NEAq can provide regarding their planning would be beneficial.

A member of the public asked about the next meeting. Mr. Chris Busch, BRA, replied that it is scheduled for May 11. Ms. Siegelman noted the agenda indicated the next meeting was scheduled for April 27. Mr. Busch clarified that that date was a placeholder, but the next meeting is May 11.

Ms. Siegelman, referencing her experience in the Charlestown Navy Yard, asked about ongoing maintenance requirements of these public benefits. Mr. McGuinness clarified that maintenance runs with the Chapter 91 license, which typically require a maintenance and operations plan for the public realm and an annual report.

Mr. Palmer requested an outline of the mitigation for the substitute provisions included in Mr. Seymour's analysis. Mr. McGuinness replied that this is available in the report that is being finalized and can also be found in the Secretary's Decisions for each MHP and Chapter 91 license.

Mr. Tony Lacasse, NEAq, asked Mr. Seymour for the range of offsets per square foot in the four developments included in the analysis. Mr. Seymour replied with a range of just over \$1.00 PSF to over \$10.00 PSF of the identified costs. Mr. Lacasse postulated that through the MHP process the public is essentially granting the developer additional square feet to develop and wondered what the current market cost of a square foot of development is. Mr. Seymour differentiated between the salable square feet of the development and the benefit the public realm costs, the latter of which is not easily quantified. Mr. Lacasse argued that the granting of the development rights requires a greater amount of compensation than presented in the report. Mr. Seymour reminded him that the size and various constraints must be considered.

Ms. Susanne Lavoie, MHPAC Member, asked who had been interviewed in the course of Mr. Seymour's research. Mr. Seymour responded that he spoke with both the original developer of the completed developments and the proponents of current projects in the planning area.

Mr. Ris, noting that this was the thirty-third meeting of the Committee, asked for a schedule moving forward to completion. Mr. McGuinness answered that an outline of topics for the Committee to discuss had been previously provided, but would provide a calendar-based schedule. Mr. Brackenbury pled for advance notice of meeting times. Ms. Connolly asked what documents would be provided in advance of the next meeting. Mr. McGuinness replied that in addition to the agenda, RKG Associates' report would also be provided.

Ms. Mary Holland, Harbor Towers Resident, requested evening meetings to engage a larger group of people. Mr. McGuinness responded that this had been done previously and will likely be done again during the formal comment periods.

Ms. Marcelle Willock, Harbor Towers resident, asked if the BRA would accept an above-ground garage on the waterfront. Mr. McGuinness replied that it depends on the site; for example, Hook Lobster has proposed an above-ground parking facility. Regardless, an active ground floor would be a requirement.

Mr. Victor Brogna, North End resident, referenced a letter from CZM to BRA Director Brian Golden that states the deadline for completing the MHP was today. Mr. Busch responded that a six-month extension had been granted and another request would be submitted to CZM.

There being no further questions or comments, Mr. McGuinness informed the Committee and public that the next meeting would be on May 11, 2016 at 3 PM in the Piemonte Room on the 5th Floor of City Hall, Boston, MA and ended the meeting at 4:25.