

Demonstration Project Application – GE Headquarters Campus Project

September 14, 2016

This Demonstration Project Application is submitted to the Boston Redevelopment Authority, a body corporate and politic established under M.G.L. Chapter 121B, as amended (the “BRA”), by the General Electric Company, a New York corporation with a principal business office of 33-41 Farnsworth Street, Boston, Massachusetts 02210 (“GE”), as the applicant, pursuant to the provisions of Massachusetts General Laws Chapter 121B, Section 46(f), as amended. GE requests the BRA’s approval of this Application and the Demonstration Project Plan set forth herein in connection with a proposed PILOT Agreement among GE, the City of Boston, and the BRA and the development of a new headquarters building in Boston for GE, as discussed below.

A. Background

In January 2016, GE announced that it would move its corporate headquarters, formerly located in Fairfield, Connecticut, to the City of Boston. In connection with that announcement, the Commonwealth of Massachusetts (the “State”) and the City of Boston (the “City”) entered into a Summary of Incentives dated January 13, 2016 (the “Incentives Summary”), pursuant to which the City agreed to make available to GE, up to \$25,000,000 in direct property tax relief. Pursuant to the Incentives Summary, such property tax relief was to be established by mutual agreement based upon a number of factors, including the siting of GE’s corporate headquarters, the size of that facility, and the number of jobs to be created there.

GE has subsequently entered into a legally-binding contract with The Gillette Company (the “Purchase Contract”) to acquire a 2.4 acre parcel of land abutting the Fort Point Channel in the Fort Point neighborhood of South Boston (the “HQ Project Site”). The HQ Project Site will be acquired in two separate transactions. GE will acquire directly, a 45,124± square foot site (the “HQ Land”), as legally described on Exhibit A, upon which GE will construct its new headquarters building (“HQ Building”) and associated site and landscape improvements (such land and the improvements constructed thereon are hereinafter referred to collectively, as the “GE Headquarters Project”). The remaining portion of the HQ Project Site will be acquired by a wholly-owned subsidiary of the Massachusetts Development Finance Agency, a body corporate and politic established pursuant to M.G.L. Chapter 23G (“MassDevelopment”), acting as the designee of GE under the Purchase Contract. The portion of the HQ Project Site to be acquired by MassDevelopment will constitute two separate lots totaling approximately 62,963 square feet, and one of such lots contains two vacant historic buildings (the “Brick Buildings”). Such land and the improvements thereon to be acquired by MassDevelopment are referred to collectively herein as the “MassDevelopment Property”). A copy of the proposed Subdivision Plan for the HQ Project Site is attached hereto as Exhibit B.

GE will lease the MassDevelopment Property pursuant to a ground lease (the “Ground Lease”), rehabilitate the Brick Buildings, including constructing a new glass atrium that includes a rooftop addition to create functionality between the Brick Buildings, and GE will also construct related site and landscape improvements. Such landscape improvements will include approximately .87 acre of new public open space which GE will maintain pursuant to its Ground Lease with

MassDevelopment. The HQ Building and the Brick Buildings will be connected by an overhead pedestrian bridge on the HQ Project Site in order to foster collaboration among GE employees working at the GE Headquarters Campus. The GE Headquarters Project and the redevelopment of the MassDevelopment Property by GE are referred to collectively herein as the “Redevelopment Project” and are conceptually depicted on the site plan attached hereto as Exhibit C. However, the property that is the subject of this Demonstration Project Application is only the GE Headquarters Project (i.e., the HQ Land and the improvements to be constructed thereon).

B. Existing Conditions – HQ Project Site

The HQ Land presently comprises a portion of a large surface parking lot long owned and operated by The Gillette Company. The HQ Project Site lies within the 100 Acres planning area as detailed in the 100 Acres Master Plan approved by the BRA in 2006. The 100 Acres planning area was rezoned in 2007, as reflected in the Planned Development Area Master Plan No. 69, The 100 Acres/South Boston dated January 10, 2007, as approved by the BRA and the Boston Zoning Commission (as amended, the “PDA Master Plan”).

Both the BRA’s 100 Acres Master Plan, which was formulated as the culmination of an extended public consultation process with community residents, public officials, public agencies, and other stakeholders, and the resulting PDA Master Plan, envision the creation of a lively, 24/7 neighborhood with a mix of residential, office, commercial, open space, industrial and other uses, including new streets. The PDA Master Plan sets forth permitted heights and uses for development in the PDA Master Plan area.

The HQ Land is underutilized, and the ordinary operations of private enterprise have not spurred its development or the redevelopment of MassDevelopment Property; the Brick Buildings have been vacant for decades, other than their temporary use as field offices for the Central Artery/Third Harbor Tunnel project in the early 2000’s. A photograph of the existing condition of the HQ Project Site is attached hereto as Exhibit C.

The HQ Land is a waterfront site, situated between Necco Street, a private street, and the Fort Point Channel and the City’s Harborwalk, which is open to the public. It has great potential to be redeveloped for uses that will contribute to the goal of making the 100 Acres a lively, 24/7 neighborhood. Furthermore, as currently existing, the HQ Land provides no direct public access to the waterfront.

C. GE Headquarters Project.

GE proposes to construct on the HQ Land, an architecturally distinctive, 11-story building with a rooftop solar veil to house approximately 600 GE employees, as well as ground floor facilities of public accommodation, such as a café, museum, and community work space. The grade of this approximately 293,300 square foot building will be elevated to accommodate appropriate flood control/climate resiliency measures, and the building will contain an array of “green” features, such as the roof-top PVC system, which will reduce the building’s reliance on the area’s electrical grid; sun shades on the building facade; a rainwater harvesting system; and a high

performance façade. A system of underground recharge tanks will help ensure that the GE Headquarters Project will not have any adverse effect on area groundwater levels.

The ground floor of the building will be oriented towards engaging the public, and include amenities such as a café and community work space. There will be open space on the HQ Land available to the public, including the covered plaza area between the HQ Building and the Brick Buildings, and a second covered area beneath the building cantilever to the west, facing the Fort Point Channel. The open spaces to be created on the HQ Land and those to be constructed by GE on the MassDevelopment Property pursuant to the Ground Lease will provide a greatly enhanced pedestrian experience and direct access to the waterfront, and the public amenities in both the HQ Building and the Brick Buildings will help to enliven the neighborhood.

Construction of the HQ Building is scheduled to begin in the second quarter of 2017 and be completed in the last quarter of 2018. Upon full occupancy of the Brick Buildings and the HQ Building, they are expected to house approximately 800 GE employees. A rendering of the proposed HQ Building is attached hereto as Exhibit E. The design of the Redevelopment Project will be subject to the completion of the BRA's Article 80 design review process and other applicable public approvals.

D. Proposed PILOT Agreement

GE anticipates entering into a Payment In Lieu of Taxes Agreement with the City, acting by and through its Assessing Department, and the BRA (the "PILOT Agreement"), pursuant to which the property tax relief referenced in the Incentives Summary will be made available to GE, as owner of the GE Headquarters Project. This Demonstration Project Application is being submitted to the BRA in order to facilitate the execution and delivery of the PILOT Agreement by the BRA. In connection therewith, upon GE's acquisition of the HQ Land from The Gillette Company, GE will grant an interest therein to the BRA for the term of the PILOT Agreement.

E. Public Benefits of GE Headquarters Project

Construction of the Redevelopment Project, including the GE Headquarters Project, will generate an estimated 600 construction jobs over the approximately two year construction timetable, commencing with site preparation and related work. The property tax revenues generated by the HQ Land will be greatly increased through the construction of a first-class corporate headquarters building. The Redevelopment Project will result in the creation of approximately .87 acres of new public open space, including multiple new pedestrian connections to the Fort Point Channel Harborwalk, as well as new public amenity spaces within both the HQ Building and the Brick Buildings, such as a bistro, café, museum, community work space, and educational/classroom space. The GE Headquarters Project will also include covered open space on the plaza to the west of the HQ Building, as well as on "GE Plaza," the open space between the HQ Building and the Brick Buildings, which will be covered by a translucent canopy to provide weather protection.

F. Summary

GE, as the applicant, requests the following BRA actions: (1) the adoption by the BRA of the Demonstration Project Plan set forth herein for the BRA's acquisition of certain interests in

the HQ Land as part of a demonstration project under Massachusetts General Laws Chapter 121B, Section 46(f), as amended, and (2) the approval of the BRA's acquisition of certain interests in the HQ Land pursuant to said Demonstration Project Plan to effectuate the construction of the new GE headquarters building and the BRA's execution of a PILOT Agreement in connection therewith.

Attachments:

- Exhibit A: Legal Description of HQ Land
- Exhibit B: Subdivision Plan
- Exhibit C: Site Plan
- Exhibit D: Photograph of Existing Conditions
- Exhibit E: Rendering of proposed HQ Building

Exhibit A

LEGAL DESCRIPTION OF PARCEL HQ LAND

A CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF BOSTON, COUNTY OF SUFFOLK AND THE COMMONWEALTH OF MASSACHUSETTS, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWESTERLY SIDELINE OF NECCO STREET, SAID POINT BEING S 29°38'45" W, A DISTANCE OF 76.94 FEET FROM THE INTERSECTION OF SAID NECCO STREET AND THE SOUTHWESTERLY SIDELINE OF NECCO COURT;

THENCE RUNNING S 29°38'45" W, BY SAID NECCO STREET, A DISTANCE OF 185.00 FEET TO A POINT;

THENCE TURNING AND RUNNING N 60°21'15" W, BY PARCEL FT1-A, A DISTANCE OF 235.00 FEET TO A POINT;

THENCE TURNING AND RUNNING N 29°38'45" E, BY PARCEL FT1-A, A DISTANCE OF 212.36 FEET TO A POINT;

THENCE TURNING AND RUNNING S 47°33'52" E, BY PARCEL FT1-A AND PARCEL G2, A DISTANCE OF 123.60 FEET TO A POINT;

THENCE TURNING AND RUNNING S 60°21'15" E, BY PARCEL G2, A DISTANCE OF 114.47 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 45,124 SQUARE FEET, OR 1.036 ACRES, AND SHOWN AS PARCEL G3 ON A PLAN ENTITLED "SUBDIVISION PLAN OF LAND, NECCO STREET AND NECCO COURT, BOSTON, MASS." PREPARED BY FELDMAN LAND SURVEYORS DATED MAY 18, 2016, AS REVISED, AND RECORDED WITH THE SUFFOLK COUNTY REGISTRY OF DEEDS SIMULTANEOUSLY HEREWITH.

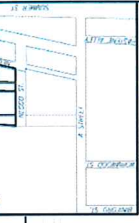
Exhibit B

SUBDIVISION PLAN

[See attached]

FORT POINT CHANNEL

BRIDGE



PARCEL FT1-A
TOTAL AREA = 42,129 SQ.FT.

THE COLLETTE COMPANY
PARENT PARCEL ID: 001118010

PARCEL G3
TOTAL AREA
= 45,124.44 SQ.FT.

PARCEL G2
AREA=30,634.44 SQ.FT.

NECCO STREET
NECCO STREET CANAL
MEYER MEYER L.C.

NECCO COURT
NECCO STREET
MEYER MEYER L.C.

MELCHER STREET

NOTES:
1) THE ABOVE PARCEL LINES ARE BASED ON THE FOLLOWING INFORMATION:
- A SURVEY MADE BY THE COLLETTE COMPANY IN 2016 TO DETERMINE THE LOCATION OF THE FORT POINT CHANNEL BRIDGE.
- A SURVEY MADE BY THE COLLETTE COMPANY IN 2016 TO DETERMINE THE LOCATION OF THE FORT POINT CHANNEL BRIDGE.
- A SURVEY MADE BY THE COLLETTE COMPANY IN 2016 TO DETERMINE THE LOCATION OF THE FORT POINT CHANNEL BRIDGE.
- A SURVEY MADE BY THE COLLETTE COMPANY IN 2016 TO DETERMINE THE LOCATION OF THE FORT POINT CHANNEL BRIDGE.

FOR RECORD USE ONLY

LEGEND:
CONCRETE
ASPHALT
GRAVEL
DIRT ROAD
IRON PIPES
WOOD POSTS
WOOD RAILS
WOOD FENCE
WOOD SHED
WOOD DOCK
WOOD BRIDGE
WOOD PIERCE
WOOD TOWER
WOOD SIGN
WOOD SIGN POST
WOOD SIGN BRACKET

DRAFT 8-11-16
DATE: 8/11/16
PROJECT: 8112016001
DRAWN: JACOB HUNTER
CHECKED: JACOB HUNTER
DATE: 8/11/16

FIELDMAN LAND SURVEYORS
LAND SURVEYORS
SCALE: 1"=20'
MAY 18, 2016
112 SHAWMUT AVENUE
BOSTON, MASS. 02116
PHONE: (617)557-9740
WWW.FIELDMANLANDSURVEYS.COM

REVISION	BY	DATE	DESCRIPTION
1	JH	8/11/16	ISSUED FOR RECORD

EXHIBIT NO. 1 OF 1
JOB NO. 1083

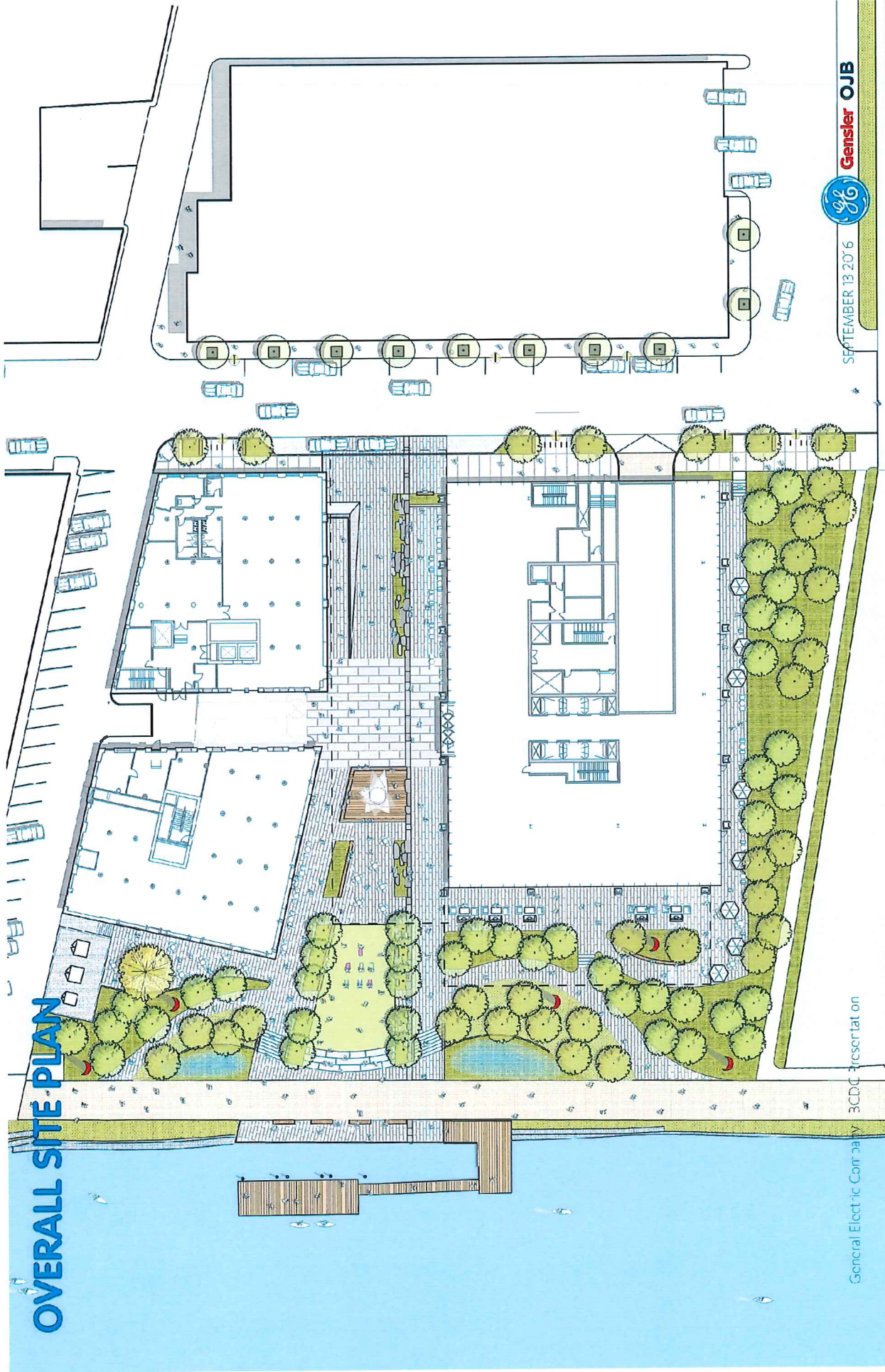
Exhibit B

Exhibit C

SITE PLAN

[See attached]

OVERALL SITE PLAN



General Electric Company 3CDC Presentation

SEPTEMBER 13 20'6
Gensler OJB

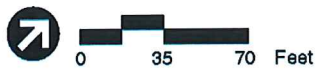
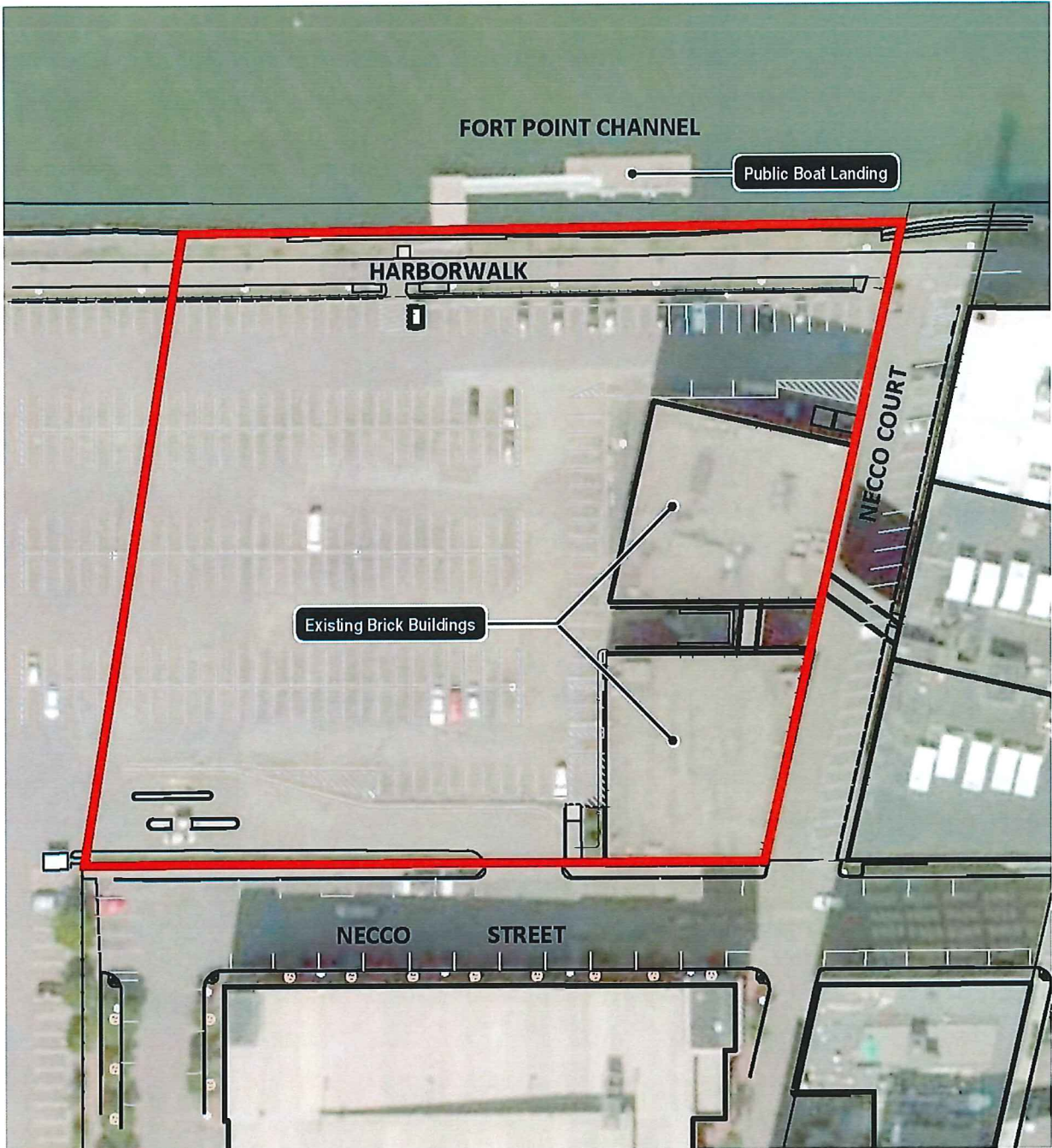
Exhibit C

Exhibit D

PHOTOGRAPH OF EXISTING CONDITIONS

[See attached]

Exhibit D



Source: Feldman Land Surveyors

Prepared By: VHB

 Project Site

Existing Conditions

**GE Headquarters Project
Boston, Massachusetts**

Exhibit E

RENDERING OF PROPOSED HQ BUILDING

[See attached]



Project Rendering - Aerial View

**GE Headquarters Project
Boston, Massachusetts**

Exhibit E