



December 19, 2016

Mr. Brian P. Golden, Director  
Boston Planning & Development Agency  
One City Hall Square  
Boston, MA 02201

ATTN: Mr. Phil Cohen

RE: **Notice of Project Change ("NPC") for Waterside Place Project, South Boston**

Director Golden:

This Notice of Project Change is hereby submitted by the Drew Company, Inc., on behalf of Core Development Group North LLC (the "Developer"), to inform you of a proposed temporary change in use for a portion of the Innovation Space on the ground floor of Phase 1A of the Waterside Place project in the Seaport District of South Boston.

#### **Project Background**

Phase 1A of the Waterside Place Project was completed in February 2014. The Project is the first sub-phase of Phase 1 of the Waterside Place Project. The second sub-phase, Phase 1B, was approved by the Agency in a Board vote on July 14, 2016.

Phase 1A was approved by the Agency in a Board vote on November 17, 2011, pursuant to the Notice of Project Change which had been submitted by the Developer on November 4, 2011. A Determination was issued by the Director of the Agency on March 8, 2012.

As indicated in the Board memo and subsequent Cooperation Agreement, Phase 1A would include 236 rental residential units, 70 internal garage spaces, and approximately 17,000 square feet of ground-floor commercial space, with the commercial space dedicated primarily to retail (10,000 SF) and innovation uses (7,000 SF).

#### **Change of Use**

This NPC is requesting a change of use for a portion of the ground floor commercial space allocated to an innovation space in Phase 1A of Waterside Place. There is approximately 6,555 square feet allocated to such innovation use.

Since 2013, the Developer marketed the space to potential innovation users, however these efforts were ultimately unsuccessful.

Due to a lack of success in attracting any entity that would qualify as an Innovation User, on January 14, 2016, the Agency by Board vote authorized the Developer to lease a portion of this space to the South Boston Community Health Center.

Prior to that approval and since, the Developer used best efforts to find a suitable Innovation tenant for the remaining 3,593 square feet. These efforts have included discussions with approximately twenty five prospective innovation users. These efforts have not resulted in a single lease for the space, which continues to sit vacant almost 3 years after the completion of the project.

Given this reality, the Developer requests permission to pursue an interim plan which we believe provides a use for the space in the near term and will make the space more marketable for the longer term to accommodate our construction team for Phase 1B of Waterside Place.

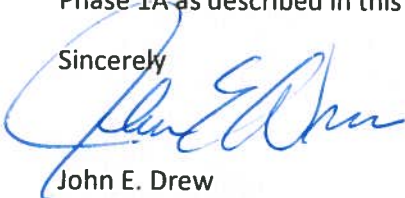
The Authority approved the 307 unit Phase 1B of Waterside Place on July 14, 2016. Since that time, the Developer and its consultants have been working to finalize the design and financing of the project. It is our intention to begin construction on Phase 1B as early as the Spring of 2017.

As is required with any sizable development, the Phase 1B project team, including the architects, engineers, and general contractor, require office space situated as close as possible to the construction site. We propose to accommodate these functions in the 3,593-square foot portion of the Innovation Space. In order to make this temporary use feasible, we will have our general contractor build out the space that is currently in an unfinished condition. The improvements to the space will include electrical work, plumbing, a full HVAC system and restrooms. We believe that with these improvements, the space will become far more marketable to a more suitable and permanent tenant when the building construction is complete and the space is no longer needed by the development team.

**Conclusion and Request for Approval**

Based on the lack of success in locating a prospective tenant that qualifies as an "innovation" user and the need for space for our Phase 1B construction, the proponent respectfully requests that the Authority approve the change of use request for approximately 3,593 square feet in Waterside Place Phase 1A as described in this NPC.

Sincerely



John E. Drew  
President and CEO  
Drew Company

CC: James Doolin, Massachusetts Port Authority  
Eliza Tan, Massachusetts Port Authority