

BRA APPROVAL: 12/14/10
ZC APPROVAL: 12/15/10
EFFECTIVE: 12/16/10

SECOND AMENDMENT TO DEVELOPMENT PLAN

FOR

PLANNED DEVELOPMENT AREA NO. 53

CHANNEL CENTER PROJECT

Dated: December 14, 2010

Pursuant to Section 3-1A and Section 80C-7 of the Zoning Code of the City of Boston (“Zoning Code”), this amendment constitutes the Second Amendment to Development Plan for Planned Development Area No. 53 (the “Second PDA Plan Amendment”). Capitalized terms used but not defined in this Second PDA Plan Amendment are as defined in the Current PDA Plan (as defined in the next paragraph).

1. **The Original Development Plan for PDA No. 53.** On December 20, 2001, the Boston Redevelopment Authority (“BRA”) approved a Map Amendment application creating Planned Development Area No. 53 (“PDA No. 53”), as well as a Development Plan for Planned Development Area No. 53. Such Map Amendment and Development Plan (together, the “Original PDA Plan”) were approved by the Boston Zoning Commission (the “Zoning Commission”) on February 27, 2002, and became effective on March 1, 2002. On October 19, 2006, the BRA approved the First Amendment to the Original PDA Plan (the “First PDA Plan Amendment”), and the Zoning Commission approved the First PDA Plan Amendment on November 8, 2006, which then became effective on November 9, 2006 (the Original PDA Plan, as so amended, is referred to herein as the “Current PDA Plan”).

The area of land governed by the Current PDA Plan encompasses approximately 7.09 acres in the Fort Point Channel area of the South Boston section of Boston, Massachusetts, as described in Exhibit A of the Original PDA Plan and as shown on the survey plan attached as Exhibit B to the Original PDA Plan (the “Site”). The Site is located within the City of Boston’s recently-created Fort Point Channel Landmark District.

The Current PDA Plan calls for the construction of a mixed-use development at the Site consisting of a combination of renovated historic warehouse buildings and new structures, to house residential uses, live/work uses, office uses, commercial uses (e.g., retail and restaurant uses), parking and other uses, as well as related new open spaces and streetscape and other improvements (collectively, the “Channel Center Project” or the “Project”). As set forth in the Current PDA Plan, the Channel Center Project could potentially include approximately 1010 parking spaces.

2. **Current Status of the Project.** To date, 13 buildings at the Site have been rehabilitated generally in accordance with the U.S. Secretary of the Interior’s standards for the rehabilitation of historic buildings, two buildings have been demolished, and one infill building

has been constructed. The constructed portion of the Channel Center Project includes approximately 209 residential units (a combination of residential condominiums and rental units) comprising approximately 377,300 s.f. of area at the buildings known as 15 Channel Center Street, 25 Channel Center Street, and 35 Channel Center Street; more than 260,000 s.f. of office uses at the buildings known as 10/20 Channel Center Street and 40 Channel Center Street; and approximately 62,100 s.f. of other commercial uses (e.g., retail, restaurant) throughout the Project. Mt. Washington Way, a private way open to public travel that connects A Street and Channel Center Street and which is an important vehicular and pedestrian gateway to the residential portion of the Project, has been newly reconstructed, and Channel Center Street (formerly Midway Street), serves as the “Main Street” for the Channel Center Project. The Project is also to include new open spaces; an existing open space called “Binford Green,” which is located at the northern edge of the Project, has been enlarged by the contribution by the Proponent (Channel Center Holdings VAF, LLC) of additional land, and redesigned and reconstructed in 2010.

3. **The Second PDA Plan Amendment.** Channel Center Holdings VAF, LLC, a Delaware limited liability company (the “Proponent”), is the owner and developer of portions of the Channel Center Project, including the properties located at 10/20 Channel Center Street; the vacant warehouse buildings known as 40-44 Midway Street, 46-48 Midway Street (collectively to be known as 7-9 Channel Center Street as discussed below), and 50-52 Midway Street¹ (now known as 5 Channel Center Street); as well as the property known as 1 and 2 Channel Center Street, which is now used as an interim surface parking lot.

The Current PDA Plan is hereby amended as follows:

A. **The Proposed Projects.**

(i) **5 Channel Center Project.** The Current PDA Plan calls for the demolition of the former historic warehouse building (“**Building**”) at 5 Channel Center Street, formerly known as 50-52 Midway Street (the “**5 CC Project Site**”). The Building contains approximately 50,000 s.f. The Boston Landmarks Commission approved demolition of the Building pursuant to Article 85 of the Zoning Code on October 21, 2001. This demolition work was intended to allow for the construction of Iron Street, a new private way connecting A Street and Medallion Avenue. (A temporary Iron Street connecting A Street and Medallion Avenue currently exists.) The Proponent has proposed this Second PDA Plan Amendment in order to preserve the Building, consistent with its presence within a newly-created City landmark district, as well as with the preservation objectives of the Current PDA Plan, for the uses described below.

The Proponent proposes to undertake through an affiliated entity, the renovation of the Building generally in accordance with the U.S. Secretary of the Interior’s standards for the rehabilitation of historic structures. No additional floors will be added to the Building, and the original building elements will generally be retained, restored and/or repaired as needed. New windows, electrical, heating and plumbing systems would be included in the rehabilitation work, and the work may include the installation of rooftop solar panels and other “clean energy”

¹ Midway Street was renamed Channel Center Street on April 3, 2003 by action of the City of Boston Public Improvement Commission.

exterior appurtenances. The proposed renovation work and related streetscape improvements at the 5 CC Project Site comprise the “5 Channel Center Project.”

The exterior aspects of the 5 Channel Center Project will be subject to review by the Fort Point Channel Landmark District Commission pursuant to the Standards and Criteria (Design Guidelines) for the Fort Point Channel Landmark District, as well as that of the BRA.

The Building and the 5 CC Project Site are proposed to be used for office uses, research and development uses, a business incubator space for “clean tech” businesses, and related uses (e.g., alternative energy testing); provided however, that the Building shall be permitted to be used for any use allowed under the Current PDA Plan, as amended hereby. Parking for the Building consistent with the Current PDA Plan will be provided at the adjacent properties known as 1 and 2 Channel Center Street, currently the location of an interim surface parking lot. Parking for the 5 Channel Center Project may be provided on an interim basis elsewhere within the Channel Center Project during the redevelopment of the 1 and 2 Channel Center Street parcels, which redevelopment may include a structured parking facility. Iron Street will be relocated southerly and constructed to an interim condition as part of the 5 Channel Center Project; Iron Street will be finished to a permanent condition as part of the future redevelopment of the parcels known as 1 and 2 Channel Center.

The 5 Channel Center Project will be developed in accordance with the dimensional and development parameters set forth on Exhibit G-12, which is attached hereto and incorporated into this Second PDA Plan Amendment. All references in the Current PDA Plan to “Exhibit G-1 through Exhibit G-11” shall be amended to read “Exhibit G-1 through Exhibit G-12.” The 5 Channel Center Project shall be deemed a “Project Component” for all purposes under the Current PDA Plan, as amended by this Second PDA Plan Amendment.

(ii) 7-9 Channel Center Project. The Current PDA Plan contemplated at Page 4 thereof that the 40-44 Midway Street structure (to be known as 7 Channel Center Street) would be rehabilitated and the 46-48 Midway Street structure (to be known as 9 Channel Center Street) would be demolished and replaced by an infill building. Instead, as part of a separate project and consistent with the Current PDA Plan’s goal of preserving where possible, the historic buildings at the Site, the Proponent proposes to rehabilitate (through an affiliate) both of these vacant former warehouse buildings for uses permitted under the Current PDA Plan (the “7-9 Channel Center Project,” and together with the 5 Channel Center Project, the “Proposed Projects”). The renovation of both buildings will be generally in accordance with the U.S. Secretary of the Interior’s standards for the rehabilitation of historic structures, and will be consistent with the development parameters set forth in Exhibit G-8 and Exhibit G-9, respectively, to the Current PDA Plan. The 7-9 Channel Center Project will contain uses consistent with the provisions of the Current PDA Plan, as amended hereby. These two buildings shall, separately or together, be deemed to be one or more Project Components for all purposes under the Current PDA Plan, as amended by this Second PDA Plan Amendment.

(iii) Rooftop Appurtenances. The Proponent anticipates that the 5 Channel Center Project will have rooftop solar panels and other rooftop appurtenances, and that the 7-9 Channel Center Project may also have rooftop appurtenances. Any inconsistent provisions of the Zoning Code notwithstanding, such appurtenances (i) shall not constitute “rooftop additions” for

purposes of the Current PDA Plan, as amended hereby, and (ii) may comprise such area of each Building's rooftop as is approved by the BRA, as evidenced by the BRA's issuance of a Certification of Consistency and Compliance for such Proposed Project pursuant to Article 80B and Article 80C, respectively, of the Zoning Code.

B. Public Benefits.

The Proposed Projects are expected to provide myriad public benefits, as follows:

- The Proposed Projects will generate construction jobs.
- The commercial tenants at the Proposed Projects will generate permanent jobs.
- The 5 Channel Center Project is expected to generate approximately \$274,500 in housing linkage funds and approximately \$54,500 in jobs linkage funds for the City of Boston.
- The 7-9 Channel Center Project is expected to generate approximately \$302,664 in housing linkage funds and approximately \$60,092 in jobs linkage funds for the City of Boston.
- The Proposed Projects will result in the rehabilitation and preservation of three (3) historic industrial-heritage warehouse buildings.
- The 5 Channel Center Project will be LEED certified and the 7-9 Channel Center Project will be LEED certifiable.
- The Proposed Projects will enliven the streetscape and area along the southerly end of Channel Center Street.

C. The Development Schedule.

The section of the Current PDA Plan entitled "Development Schedule" is hereby replaced in its entirety by the following:

The planned development schedule for the Project is set forth in Table 1 below, subject to market demand, capital availability and other factors. This Plan seeks approval for: (i) construction of the Project Components in multiple phases or sub-phases, which phases or sub-phases may proceed sequentially or simultaneously; and (ii) interruptions between completion of such phases or sub-phases and commencement of construction of the next phases or sub-phases, provided that the Project is completed by the construction completion date designated in Table 1, subject to market demand, capital availability and other factors.

TABLE 1
DEVELOPMENT SCHEDULE

Predevelopment:	Commence upon approval of this Plan.
Construction Commencement:	Commence within 12 months of approval of this Plan.
Construction Completion:	Within 15 years of construction commencement of the Channel Center Project (<i>i.e.</i> , February 28, 2003). ²

D. Other Zoning Requirements.

The Proposed Projects are located within the Fort Point Channel Groundwater Conservation Overlay District governed by Article 32 of the Zoning Code, which was enacted in 2006 (after the approval of PDA Plan No. 53 and the commencement of construction of the Project). Section 32-4 of the Zoning Code provides that if a Proposed Project (as defined in Article 2A of the Zoning Code) involves either (a) the erection or extension of a structure that will occupy more than fifty (50) square feet of lot area, or (b) the erection or extension of a structure designed or used for human occupancy or access, mechanical equipment, or laundry or storage facilities, including garage space, if such construction involves the excavation below grade to a depth equal to or below seven (7) feet above Boston City Base, the Proponent must incorporate systems into the Proposed Project that meet the groundwater conservation standards set forth in Article 32 of the Zoning Code.

In connection with the Proposed Projects discussed in this Second PDA Plan Amendment, the Proponent shall obtain a written determination from the Boston Water and Sewer Commission confirming that said standards are met with respect to each such Proposed Project, and provide a copy of such written determination(s) to the BRA and the Boston Groundwater Trust prior to the BRA's issuance of a Certification of Consistency for each such Proposed Project pursuant to the provisions of Section 80C-8 of the Zoning Code. The issuance of such Certification of Consistency shall be deemed to constitute confirmation that (i) such Proposed Project complies with Article 32 of the Zoning Code, and (ii) no conditional use permit from the Board of Appeal is required for such Proposed Project under Article 32 of the Zoning Code.

E. Channel Center Project Site Plans. Attached to and incorporated into this Second PDA Plan Amendment are (i) Exhibit SP-1, a site plan depicting the development of the Channel Center Project as of the date hereof, and (ii) Exhibit SP-2, a site plan depicting the Proposed Projects as well as possible future development on the parcels known as 1 and 2 Channel Center. The redevelopment plans for the 1 and 2 Channel Center parcels have not been formally proposed and thus, the depiction of new development thereon shown on Exhibit SP-2 is

² A building permit for the first component of the Channel Center Project (35 Channel Center Street) was issued on December 31, 2002.

illustrative only. Exhibit SP-1 and Exhibit SP-2 shall supersede Exhibit D of the Current PDA Plan.

5. **Current PDA Plan, as Amended.** Except as amended by this Second PDA Plan Amendment, the Current PDA Plan remains unmodified and is in full force and effect.

Attachments:

Exhibit G -12

Exhibit SP – 1: Site Plan – Existing Development

Exhibit SP – 2: Site Plan – Future Development

EXHIBIT G-12

<u>Project Component:</u>		5 Channel Center Street (formerly 50-52 Midway Street)
<u>Allowed Uses:</u>		Residential Uses, Office Uses and Other Uses (as defined in the Plan)
<u>Maximum Building Height:</u>		80'
<u>Maximum Floor Area Ratio:</u>		5.25
<u>Minimum Lot Area for Each Traditional Dwelling Unit:</u>		None
<u>Minimum Lot Width:</u>		None
<u>Minimum Usable Open Space Per Dwelling Unit:</u>		None
<u>Minimum Front Yard:</u>		None
<u>Minimum Side Yard:</u>		None
<u>Minimum Rear Yard:</u>		None
<u>Minimum Parapet Setback:</u>	<u>Front:</u>	None
	<u>Side:</u>	None
	<u>Rear:</u>	None
<u>Maximum Rear Yard Occupancy:</u>		None
<u>Parking Spaces:</u>	<u>Minimum Ratio:</u>	See Exhibit I
	<u>Maximum Ratio:</u>	See Exhibit I
<u>Loading Bays:</u>	<u>Minimum Ratio:</u>	See Exhibit I

EXHIBIT SP-1
SITE PLAN – EXISTING DEVELOPMENT
(See attached)

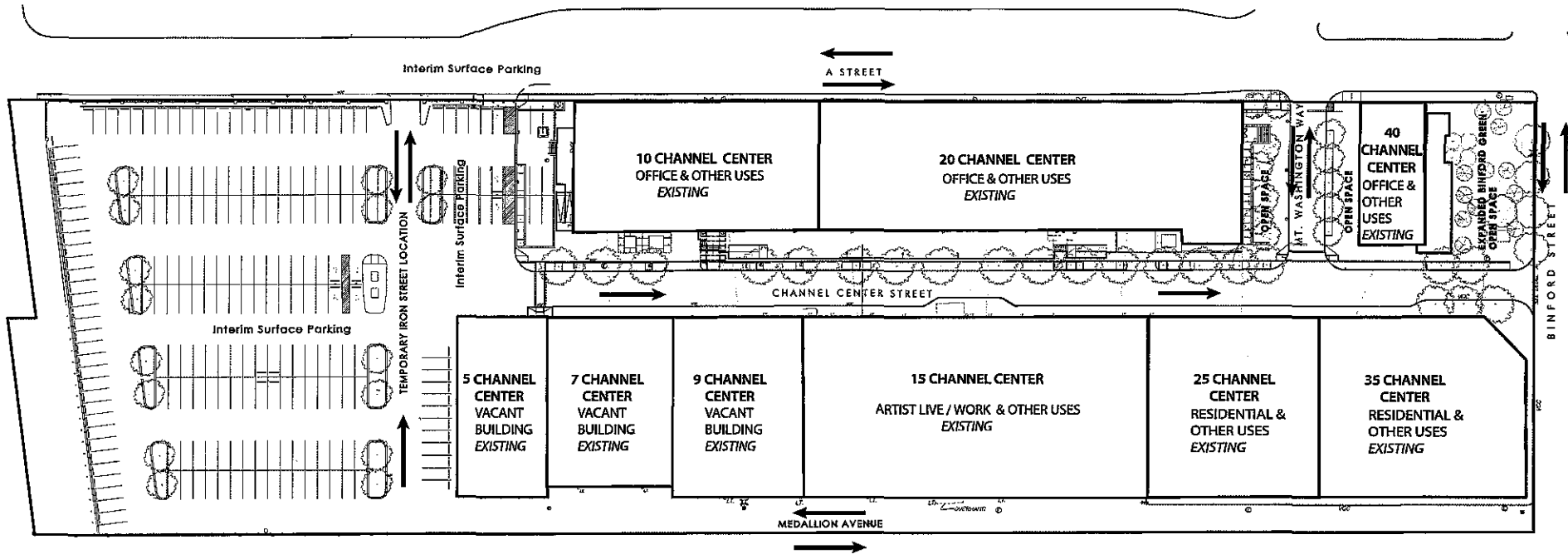
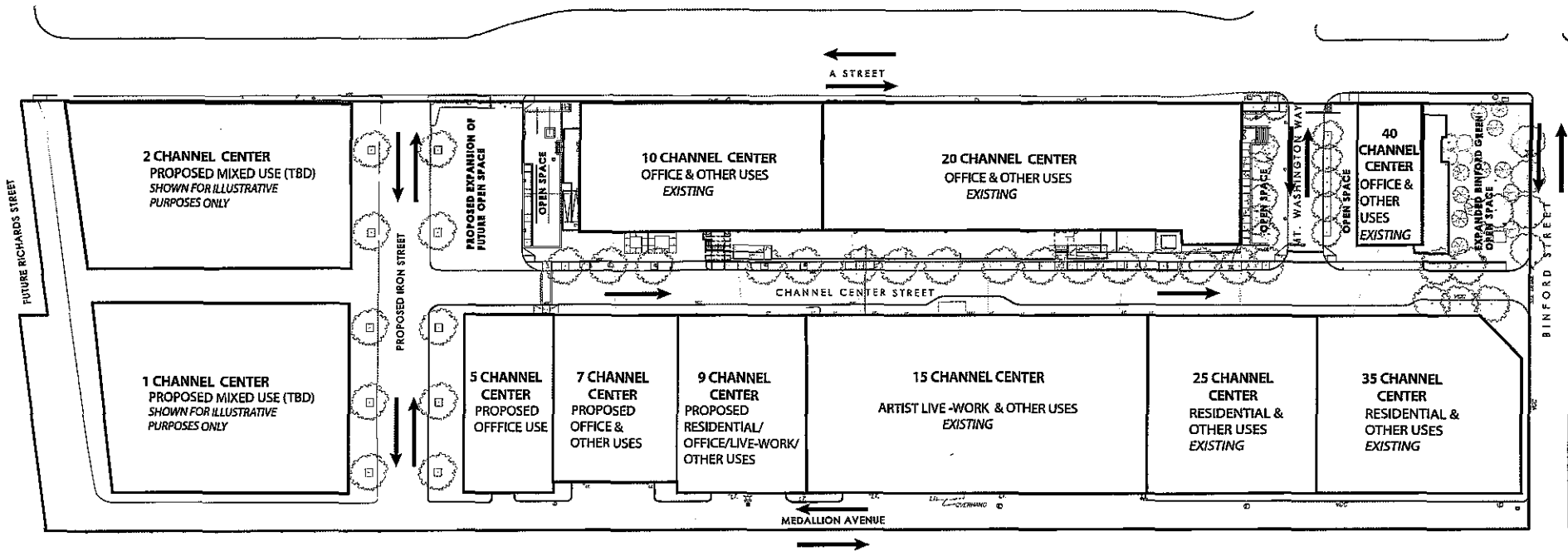


EXHIBIT SP - 2
SITE PLAN - FUTURE DEVELOPMENT
(See attached)



Second Amendment to Planned Development
Area No. 53, Channel Center Project

Boston Redevelopment Authority on behalf of
Channel Center Holdings VAF, LLC

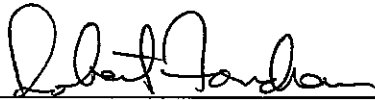
SECOND AMENDMENT TO DEVELOPMENT PLAN FOR PLANNED
DEVELOPMENT AREA NO. 53, CHANNEL CENTER PROJECT

The Zoning Commission of the City of Boston, acting under Chapter 665 of the Acts of 1956, as amended, after due report, notice and hearing, does hereby approve the Second Amendment to Development Plan for Planned Development Area No. 53, Channel Center Project, dated December 14, 2010, and approved by the Boston Redevelopment Authority on December 14, 2010.

Said Second Amendment amends "First Amendment to the Development Plan for Planned Development Area No. 53, The Channel Center Project", approved by the Authority on October 19, 2006, and approved by the Zoning Commission on November 8, 2006, effective November 9, 2006.

Planned Development Area No. 53 was originally designated on "Map 4, South Boston," of the series of maps entitled "Zoning Districts City of Boston" dated August 15, 1962, as amended, by Map Amendment No. 398, adopted by the Zoning Commission on February 27, 2002, effective March 1, 2002.

Second Amendment to Development Plan for Planned Development Area No. 53,
Channel Center Project

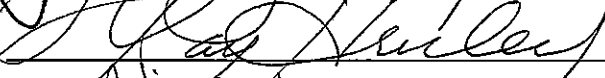


Chairman

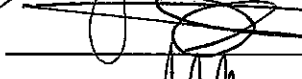
Vice Chairman

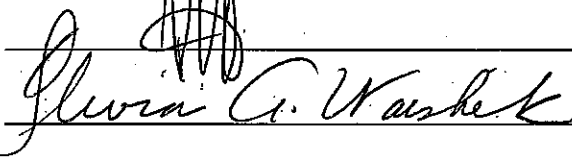













In Zoning Commission

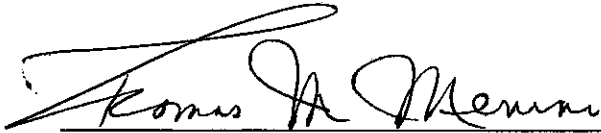
Adopted: December 15, 2010

Attest:



Secretary

Second Amendment to the Development Plan for Planned Development Area No. 53,
Channel Center Project



Mayor, City of Boston

Date: 12/16/10

The foregoing Second Amendment to the Development Plan, was presented to the Mayor on ~~DECEMBER 15, 2010~~ and was signed by him on ~~DECEMBER 16, 2010~~ whereupon it became effective on ~~DECEMBER 16, 2010~~ in accordance with Section 3 of Chapter 665 of the Acts of 1956, as amended.

Attest:



Secretary to the Zoning Commission

Second Amendment to Planned Development
Area No. 53, Channel Center Project

Boston Redevelopment Authority on behalf of
Channel Center Holdings VAF, LLC

TO THE ZONING COMMISSION OF THE CITY OF BOSTON:

The Boston Redevelopment Authority, acting under Section 3-1A of the Boston Zoning Code, hereby petitions the Zoning Commission of the City of Boston for its approval of the Second Amendment to the Development Plan for Planned Development Area No. 53, Channel Center Project, dated December 14, 2010, and approved by the Boston Redevelopment Authority on December 14, 2010.

Said Second Amendment amends "First Amendment to the Development Plan for Planned Development Area No. 53, The Channel Center Project", approved by the Authority on October 19, 2006, and approved by the Zoning Commission on November 8, 2006, effective November 9, 2006.

Planned Development Area No. 53 was originally designated on "Map 4, South Boston," of the series of maps entitled "Zoning Districts City of Boston" dated August 15, 1962, as amended, by Map Amendment No. 398, adopted by the Zoning Commission on February 27, 2002, effective March 1, 2002.

Petitioner: Boston Redevelopment Authority

By: John F. Palmieri, Director

Address: 9th Floor, City Hall

Boston, MA 02201-1007

Tel. No.: (617) 722-4300, ext. 4308

Date: as authorized by the BRA Board at its
meeting of December 14, 2010.

ZONING HEARING

The Zoning Commission of the City of Boston hereby gives notice, in accord with Chapter 665 of the Acts of 1956, as amended, that a public hearing will be held on December 15, 2010 at 9:15 AM, in Room 900, Boston City Hall, in connection with a petition for the approval of the Second Amendment to the Development Plan for Planned Development Area No. 53, Channel Center Project, filed by the Boston Redevelopment Authority on behalf of Channel Center Holdings VAF, LLC.

The Second Amendment to the PDA Plan would (i) authorize the preservation and rehabilitation of two buildings formerly known as 40-44 Midway Street and 46-48 Midway Street, now known as 7-9 Channel Center Street, respectively, and 50-52 Midway Street, now known as 5 Channel Center Street (the "Buildings"), for the uses permitted under the PDA Plan for said Buildings; (ii) update the PDA Plan site plan to reflect changes in planned development and roadway realignments; and (iii) set forth a revised development schedule for the completion of the Channel Center Project.

Copies of the petition and plans may be viewed at the Office of the Zoning Commission, Room 953C, Boston City Hall, between 9AM and 5 PM any day except Saturdays, Sundays, and legal holidays.

For the Commission,
Jeffrey M. Hampton, Secretary

MEMORANDUM

DECEMBER 14, 2010

TO: BOSTON REDEVELOPMENT AUTHORITY AND
JOHN F. PALMIERI, DIRECTOR

FROM: BRENDA MCKENZIE, DIRECTOR OF ECONOMIC DEVELOPMENT
HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
KRISTIN KARA, SENIOR PROJECT MANAGER
DAVID CARLSON, SENIOR ARCHITECT/URBAN DESIGNER
RICHARD MCGUINNESS, DEPUTY DIRECTOR FOR WATERFRONT
PLANNING
VALERIE GINGRICH, PLANNER II

SUBJECT: PUBLIC HEARING ON THE CHANNEL CENTER PROJECT IN SOUTH
BOSTON TO CONSIDER THE SECOND AMENDMENT TO THE
DEVELOPMENT PLAN FOR PLANNED DEVELOPMENT AREA NO. 53
AND TO CONSIDER AMENDMENT(S) TO THE DEVELOPMENT
IMPACT PROJECT AGREEMENT AND OTHER ARTICLE 80
AGREEMENTS

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (the "Authority"): (i) authorize the Director of the Boston Redevelopment Authority (the "Authority") to issue a Determination waiving further review pursuant to Section 80A-6.2 of the Boston Zoning Code (the "Code") in connection with the Channel Center Project which finds that the Notice of Project Change, as amended, does not significantly increase the impacts of the Channel Center Project and no additional review is required; (ii) approve the Second Amendment to the Development Plan for Planned Development Area No. 53 (the "Second Amendment") substantially in the form attached to this Memorandum; (iii) authorize the Director to petition the Boston Zoning Commission to approve the Second Amendment in substantial accord with the version presented to the Authority at its hearing on December 14, 2010; (iv) authorize the Director of the Authority to issue one or more Certifications of Consistency pursuant to Section 80C-8 of the Code upon successful completion of the Planned Development Area Review process; (v) authorize the Director of the Authority to issue one or more Certifications of Compliance pursuant to Section 80B-6 of the Code upon successful completion of the Article 80B Large Project Review process; and (vi) authorize the Director of the Authority to execute and deliver amendments to the Cooperation

Agreement, the Development Impact Project Agreement, and the Boston Residents Construction Employment Plan for the Channel Center Project if and to the extent required in connection with the Second Amendment and the NPC, and execute and deliver one or more Affordable Rental Housing Agreements (and Restrictions and any and all other documents, as may be necessary and appropriate.

BACKGROUND

On November 7, 2000, affiliates of Beacon Capital Partners ("Beacon") filed a Letter of Intent in accordance with the policy of the Boston Redevelopment Authority (the "Authority") regarding Provision of Mitigation by Development Projects in Boston for the Midway Project (Beacon later renamed the Midway Project the Channel Center Project) located on approximately 7.09 acres of land, which includes former warehouse buildings, in the Fort Point Channel neighborhood of South Boston. At the time, the project was to comprise a 1,750,000 square foot development containing office, research and development, retail, restaurant, artist live/work and accessory parking located on A Street and Channel Center Street, formerly known as Midway Street, in South Boston. The project site is generally bounded by A Street to the west, Binford Street to the north, Richards Street to the south, and Medallion Avenue to the east (the "Project Site"). Channel Center Street, a 50-foot wide private way, bisects the Project Site from north to south. The Project Site is located within the recently-designated Fort Point Channel Landmark District.

An Impact Advisory Group ("IAG"), consisting of eight members of the public, was formed in accordance with the Authority's policy regarding Provision of Mitigation by Development Projects in Boston.

On January 24, 2001, Beacon submitted a Project Notification Form ("PNF") to the Authority for the Channel Center Project. Notice of the receipt by the Authority of the PNF was published in the *Boston Herald* on January 24, 2001, which initiated a 30-day public comment period with a closing date of February 26, 2001. Upon the request of Beacon, the public comment period was extended until Monday, March 12, 2001. The notice and the PNF were sent to the City's public agencies pursuant to Section 80A-2 of the Boston Zoning Code (the "Code").

Pursuant to Section 80B-5.3 of the Code, a Scoping Session was held on February 6, 2001 with the City's public agencies at which the Channel Center Project was reviewed and discussed. Beacon conducted two (2) public meetings; the first at the Condon School in South Boston on Tuesday, February 13, 2001 and the second at the Children's Museum on Thursday, February 15, 2001.

The Authority issued a Scoping Determination pursuant to Section 80B-5 of the Code, in response to the PNF on March 27, 2001. Beacon filed a Notice of Project Change ("First NPC") in response to the Scoping Determination on May 8, 2001, which initiated a 30-day public comment period with a closing date of June 8, 2001. The First NPC was sent to the City's public agencies pursuant to Section 80A-2 of the Code. A Scoping Session was held with the City's public agencies on May 16, 2001 at which the Channel Center Project was reviewed and discussed. Beacon conducted one (1) public meeting at the Condon School in South Boston on Tuesday, May 29, 2001.

The Authority issued a second Scoping Determination pursuant to Section 80B-5 of the Code, on June 25, 2001 in response to the First NPC, requesting a Draft Project Impact Report ("DPIR"). In response, Beacon filed a DPIR for the Channel Center Project on August 30, 2001, which initiated a 75-day public comment period with a closing date of November 13, 2001. The DPIR was sent to the City's public agencies pursuant to Section 80A-2 of the Code. An IAG meeting was held on Tuesday, September 18, 2001 at which time Beacon described the changes and details of the Channel Center Project since the submission of the DPIR. A DPIR meeting was held on October 2, 2001 with the City's public agencies, where the Channel Center Project was reviewed and discussed. Beacon conducted two (2) public meetings; the first at the Condon School in South Boston on Thursday, September 20, 2001, and the second at the Children's Museum on Wednesday, October 10, 2001.

Pursuant to Section 3-1A and Article 80C of the Code, Beacon filed a Development Plan for Planned Development Area No. 53 ("PDA Plan No. 53") for the development of the Channel Center Project on September 28, 2001, which initiated a 45-day comment period with a closing date of November 13, 2001.

Beacon made two presentations to a Boston Civic Design Commission ("BCDC") subcommittee, the first on September 18, 2001 and the second on September 25, 2001, where various aspects of the Channel Center Project were reviewed. On October 2, 2001, BCDC voted to approve the revised design for the Channel Center Project.

Beacon made two appearances before the Boston Landmarks Commission. An introductory presentation was made on September 25, 2001, and a waiver of Demolition Delay under Article 85 of the Code was granted on October 23, 2001.

On December 20, 2001 after a public hearing duly noticed and held, the Authority voted to issue a Preliminary Adequacy Determination waiving further review pursuant to the provisions of Section 80B-5.4(c)(iv) of the Boston Zoning Code, for a multi-phased project to include approximately 1,550,000 square feet of office, residential, retail, cultural, and other uses, and to comprise the rehabilitation of 13 of the 19 warehouse buildings, as well as new infill and other new building construction, streetscape improvements, parking facilities, and open space areas (collectively, the "Channel

Center Project"). Specifically, the approximately 1,550,000 square foot project was contemplated to include approximately 1,249,800 square feet of office and research and development space, at least 183,500 square feet of residential space, approximately 96,700 square feet of retail and restaurant space, and approximately 20,000 square feet of gallery space. Additionally, up to 990 structured parking spaces, and 20 additional parking spaces along Channel Center Street were approved.

On December 20, 2001, the Authority also approved PDA Plan No. 53, which provided for a phased development of the Project Site. PDA Plan No. 53 was subsequently approved by the Boston Zoning Commission on February 27, 2002 and became effective on March 1, 2002.

Thereafter, on June 28, 2002, Beacon filed another Notice of Project Change ("Second NPC") which called for approximately 1,550,000 square feet of rehabilitation and new construction, including approximately 862,800 square feet of office and research and development space, approximately 426,000 square feet of residential space for the provision of 359 housing units, approximately 171,000 square feet of live/work space, approximately 70,200 square feet of retail and restaurant space, approximately 20,000 square feet of gallery space, 1,020 structured parking spaces, and 20 additional spaces along Channel Center Street (the "Revised Project"); such use allocations were subject to change as set forth in the PDA Plan.

Pursuant to Section 80B-5.3 of the Code, a Scoping Session was held on July 30, 2002 with the City's public agencies at which the Revised Project was reviewed and discussed. Beacon conducted one public meeting at the Condon School in South Boston on Wednesday, July 17, 2002. The modifications to the Revised Project, as described in the Second NPC, were approved by the Authority Board on August 22, 2002, subject to continuing design review by the Authority. Pursuant to Section 80A-6.2 of the Code, following an extensive Article 80 Review process, on September 13, 2002, the Authority issued a Determination waiving further review for the Channel Center Project.

Following the completion of the Article 80 review process, Beacon began the first phase of the Channel Center Project and demolished some of the warehouse buildings with the permission of the Boston Landmarks Commission, and developed on the vacated land 25 Channel Center and 35 Channel Center, residential condominium buildings with a total of 120 units. Midway Studios, located at 15 Channel Center, is a residential development that involved the rehabilitation of former warehouse buildings and now contains 89 artists' live/work units. The Fort Point Cultural Coalition ("FPCC"), a neighborhood-based non-profit organization, was a co-developer of the Midway Studios, and holds an ownership interest in that project.

On August 25, 2006, Beacon filed a First Amendment to the Development Plan for PDA Plan No. 53 (the "First Amendment") and on August 29, 2006 Beacon filed another

Notice of Project Change ("Third NPC") with the Authority. On October 16, 2006, the Authority approved the First Amendment and the Third NPC, which allowed for residential and live/work uses on most of the Project Site. Specifically, the October 16, 2006 Authority approval was for a program to include not less than 183,500 square feet and up to 1,383,000 square feet of residential uses, not less than 50,000 square feet and up to 1,249,800 square feet of office and research and development uses, approximately 96,700 square feet of other uses (e.g., retail, restaurant, etc.), approximately 20,000 square feet of gallery space (all such use allocations subject to change as set forth in the PDA Plan, as amended), up to 1010 parking spaces, including approximately 990 structured parking spaces located in one or more garages and approximately 20 surface parking spaces located along Channel Center Street and/or Medallion Avenue. The First Amendment was approved by the Boston Zoning Commission on November 8, 2006 and became effective on November 9, 2006 (as so amended, "PDA Plan No. 53").

In March 2007, Beacon sold the non-residential portions of the Channel Center Project to an affiliate of Commonwealth Ventures, LLC. The affiliate, Channel Center Holdings VAF, LLC (the "Proponent") acquired the vacant buildings now known as 10/20 Channel Center, 40 Channel Center, 5, 7 and 9 Channel Center, and the parking lot (and building development site) known as 1 and 2 Channel Center, together with ancillary areas.

The Proponent sold the 40 Channel Center building in January 2008 to another entity, and that property has been redeveloped to comprise a ground-floor restaurant and office uses on the upper floors. 10/20 Channel Center has been redeveloped as approximately 247,364 square feet of office space, with plans for retail, restaurant or other commercial uses on the remainder of the ground floor. Currently, approximately 60% of the 10/20 Channel Center building is occupied by two office tenants. 1 and 2 Channel Center will be developed at a later date.

PROPOSED PROJECTS

On October 27, 2010, the Proponent filed both a Second Amendment to PDA Plan No. 53 (the "Second Amendment") and a Notice of Project Change ("New NPC") with the Authority, which would allow for the preservation and rehabilitation of three buildings, 40-44 Midway Street and 46-48 Midway Street, now known as 9 and 7 Channel Center Street (the "7-9 Channel Center Project"), respectively, and 50-52 Midway Street, now known as 5 Channel Center Street (the "5 Channel Center Project"), for uses permitted under PDA Plan No. 53. On November 3, 2010, an amendment to the New NPC was submitted to the Authority to include the rehabilitation of 7 and 9 Channel Center Street along with the rehabilitation of 5 Channel Center Street.

PDA Plan No. 53 calls for the demolition of the buildings located at 5 and 7 Channel Center Street. The Boston Landmarks Commission approved demolition of the

buildings located at 5 and 7 Channel Center Street pursuant to Article 85 of the Code on October 21, 2001. 7 Channel Center Street was to be demolished to make way for a new 125+ foot high infill building. The demolition of the building located at 5 Channel Center Street was intended to allow for the construction of Iron Street, a new private way open to public travel, connecting A Street and Medallion Avenue (a temporary Iron Street connecting A Street and Medallion Avenue currently exists).

The Proponent has proposed this Second Amendment in order to preserve and rehabilitate both the approximately 50,000 square foot, six-story building located at 5 Channel Center Street for office uses, research and development uses, a business incubator space for "clean tech" businesses, and related uses (e.g., alternative energy testing), and the approximately 22,700 square foot, three-story building located at 7 Channel Center Street for office purposes; provided however, that 5 and 7 Channel Center Street shall be permitted to be used for any use allowed under PDA Plan No. 53, as amended hereby. Pursuant to the PDA Plan No. 53, the approximately 77,000 square foot building located at 9 Channel Center Street was to be preserved and rehabilitated, which the Proponent is proposing. 9 Channel Center Street is expected to include commercial and office space on floors 1-3 and approximately 20 residential units and approximately 16 artist live/work units on floors 4-7. Collectively, 5, 7 and 9 Channel Center will total approximately 145,000 square feet, of which approximately 75,000 square feet is expected to be office space, approximately 25,000 is expected to be research and development space, approximately 39,870 square feet is expected to be residential space, including artist live/work units, and approximately 5,130 square feet is expected to be retail/commercial space. The preservation of 7 Channel Center and 9 Channel Center will be undertaken by an affiliate of the Proponent as a single project separate and apart from the preservation and rehabilitation of 5 Channel Center by a separate affiliate of the Proponent. No additional floors will be added to the buildings, and the original building elements will generally be retained, restored and/or repaired as needed. New windows, electrical, heating and plumbing systems would be included in the rehabilitation work, and the work may include the installation of rooftop solar panels and other "clean energy" exterior appurtenances (the "Proposed Projects").

The Second Amendment would also update the site plan for PDA Plan No. 53 to reflect the Proposed Projects and the roadway realignment of Iron Street, which is necessary because of the preservation of 5 Channel Center Street, and would set forth a revised development schedule for the completion of the Channel Center Project. The exterior aspects of the Proposed Project will be subject to review by the Fort Point Channel Landmark District Commission pursuant to the Standards and Criteria (Design Guidelines) for the Fort Point Channel Landmark District, as well as by the BRA pursuant to Article 80B of the Code.

Parking for the Proposed Projects will be provided at the adjacent properties known as 1 and 2 Channel Center Street, currently the location of an interim surface parking lot.

Parking for the Proposed Projects may be provided on an interim basis elsewhere within the Channel Center Project during the redevelopment of the 1 and 2 Channel Center Street parcels, which redevelopment may include a structured parking facility. Iron Street will be relocated southerly and constructed to an interim condition as part of the Proposed Projects; Iron Street will be finished to a permanent condition as part of the future development of the parcels known as 1 and 2 Channel Center.

The 5 Channel Center Project will be developed in accordance with the dimensional and development parameters set forth on Exhibit G-12 to the Second Amendment. All references in the current PDA Plan No. 53 to "Exhibit G-1 through Exhibit G-11" shall be amended to read "Exhibit G-1 through Exhibit G-12." The renovation of 7 and 9 Channel Center will be consistent with the development parameters set forth in Exhibit G-8 and Exhibit G-9, respectively, to PDA Plan No. 53. Each of the 5 Channel Center and 7-9 Channel Center Proposed Projects will contain uses consistent with the provisions of the current PDA Plan No. 53, as hereby amended.

Neither of the Proposed Projects will increase the size or intensity of use of the Channel Center Project, nor result in any additional urban design, historic resources, wind, shadow, daylight, solar glare, or other related impacts.

In connection with the Second Amendment, the square footage of the Development Impact Uses for the Channel Center Project may be altered, which may require one or more amendments to the Development Impact Project Agreement for the Channel Center Project, executed January 31, 2003, to reflect such changes.

The Proponent plans to begin construction of the Proposed Projects in the 1st quarter of 2011 with an estimated completion in the 1st quarter of 2012. Total costs for the Proposed Projects are estimated at approximately \$45,000,000.

PROJECT TEAM

Channel Center Holdings VAF, LLC is an affiliate of Commonwealth Ventures, LLC, whose principal is Richard A. Galvin. Rebecca A. Lee, Esq. from Edwards Angell Palmer & Dodge LLP is legal counsel; DiMella Shaffer Architects will be the architect for the 5 Channel Center Street project and preliminary architectural work for the 7-9 Channel Center Project is being undertaken by Spaulding Tougias Architects.

ARTICLE 80 REVIEW

The Proponent filed both the Second Amendment to the PDA Plan No. 53 and the New NPC on October 27, 2010. The New NPC that was submitted to the Authority on October 27, 2010 included the rehabilitation of 5 Channel Center Street. On November 3, 2010, an amendment to the New NPC was submitted to include the

rehabilitation of 7 Channel Center (together with the already-approved rehabilitation of 9 Channel Center Street) in addition to the rehabilitation of 5 Channel Center Street. The Second Amendment to PDA Plan No. 53 initiated a 45-day public comment period, which ended on December 13, 2010. The Proponent voluntarily agreed to have a 30-day public comment period in connection with the New NPC and amendment to the NPC, which were extended to be coterminous with the required 45-day public comment period in connection with the Second Amendment to PDA Plan No. 53.

Notice of the receipt by the Authority of the Second Amendment to PDA Plan No. 53 was published in the *Boston Herald* on October 29, 2010. In addition, notice of receipt of the Second Amendment to PDA Plan No. 53, the New NPC and the amendment to the New NPC were sent to the City's public agencies, State Representative Brian Wallace, State Senator Jack Hart, and City Councilor Bill Linehan and the IAG.

The Proponent has requested that the Authority issue a Determination waiving further review with respect to the New NPC, as amended.

A publically advertised Authority-hosted community meeting was held on November 15, 2010 at 10 Channel Center, and an IAG meeting was held on November 29, 2010 at 10 Channel Center.

The Proponent seeks to achieve zoning compliance for the Proposed Projects by submitting the Second Amendment to PDA Plan No. 53 pursuant to the Planned Development Area Review procedures set forth in Article 80C of the Code. To initiate Planned Development Review under Article 80C of the Code, the Developer submitted its proposed Second Amendment to PDA Plan No. 53 to the Authority on October 27, 2010, and notice of receipt by the Authority of the Second Amendment to PDA Plan No. 53 was published in the *Boston Herald* on October 29, 2010. The public review and comment period for the Second Amendment ended on December 13, 2010. PDA Plan No. 53, as amended by the Second Amendment to PDA Plan No. 53, sets forth, with respect to the Proposed Projects, the proposed location, appearance and dimensions of structures, open spaces and landscaping, proposed uses, densities, traffic circulation, parking and loading facilities, and access to public transportation and outlines the zoning requirements applicable to the Proposed Project. Attached to this Board Memorandum is the proposed form of the Second Amendment to PDA Plan No. 53.

AFFORDABLE HOUSING

Pursuant to PDA Plan No. 53 and the Cooperation Agreement, dated January 31, 2003, which was subsequently amended by a First Amendment, dated September 25, 2009, the 7-9 Channel Center Street Project is include a total of six (6) affordable units (the "Affordable Units"). The affordability levels of the Affordable Units will, at a

minimum, comply with levels set forth in the Cooperation Agreement and the PDA Plan No. 53, as amended.

The size, location and square footage of the Affordable Units will be as determined by Authority staff in consultation with the Proponent. The Proponent will enter into an Affordable Rental Housing Agreement and Restriction with the Authority for the Affordable Units. The Affordable Rental Housing Agreement and Restriction must be executed along with, or prior to the issuance of the Certification of Compliance for the 7-9 Channel Center Project. The Proponent must submit an Affirmative Marketing Plan for the Affordable Units (the "Marketing Plan") to the Boston Fair Housing Commission and the Authority for approval, which approval must be in place before the marketing of the Affordable Units. For all Affordable Units, preference will be given to applicants who meet the following criteria, weighted in the order below:

- (1) Artist Household; and
- (2) Boston resident; and
- (3) Household size (a minimum of one (1) person per bedroom).

The Affordable Units will not be marketed prior to the submission and approval of the Marketing Plan. The Affordable Rental Housing Agreement and Restriction will be recorded to maintain affordability for a total period of fifty (50) years (this includes thirty (30) years with an Authority option to extend for an additional period of twenty (20) years). The income household of any subsequent tenant of the Affordable Units during this fifty (50) year period must fall within the applicable income limit for each Affordable Unit.

PUBLIC BENEFITS

When the Authority originally approved the Channel Center Project, it approved the provision of a comprehensive public benefits package by the Proponent whereby such benefits would be contributed over the course of the project's build-out. Such public benefits were to include public realm and streetscape enhancements, open space, transportation improvements, preservation of historic buildings, affordable housing, artist live/work units, and an increase in the City's housing stock. The Project's public benefits commitments are memorialized in the Channel Center Project Cooperation Agreement dated January 31, 2003, as amended by a First Amendment dated September 25, 2009. The first two phases of the Channel Center Project have been completed and public benefits thereby realized, including the payment of housing and jobs linkage funds, the payment of community mitigation funds to the Authority, streetscape improvements, and the creation of open space within the Channel Center Project. The 5 Channel Center and 7-9 Channel Center Projects are expected to provide the following public benefits:

- The creation of approximately 200-250 construction jobs;
- The creation of approximately 300 permanent jobs;
- The generation of over \$600,000 in annual property taxes for the City of Boston upon stabilized occupancy;
- The payment of approximately \$112,258 to the Authority in impact mitigation funds;
- The generation of approximately \$274,500 in housing linkage funds in connection with the 5 Channel Center Project and the generation of approximately \$302,664 in housing linkage funds in connection with the 7-9 Channel Center Project, for a total of approximately \$577,164 in housing linkage funds;
- The generation of approximately of approximately \$ 54,500 in jobs linkage funds for the City of Boston in connection with the 5 Channel Center Project and the generation of approximately \$60,092 in jobs linkage funds for the City of Boston in connection with the 7-9 Channel Center Project, for a total of approximately \$114,592 in jobs linkage funds;
- The rehabilitation and preservation of three (3) historic industrial-heritage warehouse buildings, two of which were approved by the City for demolition;
- The 5 Channel Center Project will be LEED certified and the 7-9 Channel Center Project will be LEED certifiable; and
- The activation of the streetscape and area along the southerly end of Channel Center Street.

RECOMMENDATION

Authority staff believes that the NPC meets the criteria for the issuance of a Determination waiving further review under Article 80A-6.2 of the Code. Based on the foregoing, Authority staff recommends that the Authority (i) authorize the Director of the Boston Redevelopment Authority (the "Authority") to issue a Determination waiving further review pursuant to Section 80A-6.2 of the Boston Zoning Code (the "Code") in connection with the Channel Center Project which finds that the Notice of Project Change, as amended, does not significantly increase the impacts of the Channel Center Project and no additional review is required; (ii) approve the Second Amendment to the Development Plan for Planned Development Area No. 53 (the "Second Amendment") substantially in the form attached to this Memorandum; (iii)

authorize the Director to petition the Boston Zoning Commission to approve the Second Amendment in substantial accord with the version presented to the Authority at its hearing on December 14, 2010; (iv) authorize the Director of the Authority to issue one or more Certifications of Consistency pursuant to Section 80C-8 of the Zoning Code upon successful completion of the Planned Development Area Review process; (v) authorize the Director of the Authority to issue one or more Certifications of Compliance pursuant to Section 80B-6 of the Code upon successful completion of the Article 80B Large Project review process; and (vi) authorize the Director of the Authority to execute and deliver amendments to the Cooperation Agreement, the Development Impact Project Agreement, the Boston Residents Construction Employment Plan for the Channel Center Project if and to the extent required in connection with the Second Amendment and the NPC, and execute and deliver one or more Affordable Rental Housing Agreement(and Restrictions and any and all other documents, as may be necessary and appropriate.

Appropriate votes follow:

VOTED: That the Director be, and hereby is, authorized to issue a Determination waiving further review under Section 80A-6.2 of the Boston Zoning Code (the "Code"), which finds that the Notice of Project Change, as amended, submitted by Channel Center Holdings VAF, LLC does not significantly increase the impacts arising from the 5 Channel Center Project and the 7-9 Channel Center Project (the "Proposed Projects") as described in the Second Amendment (the "Second Amendment") to the Development Plan for Planned Development Area No. 53 ("PDA Plan No. 53") and waives further review of such Proposed Projects, subject to continuing design review by the Boston Redevelopment Authority ("Authority"); and

FURTHER

VOTED: That the Authority hereby finds and determines that the Second Amendment to PDA Plan No. 53 complies with Section 80C-4(a)-(e); Standards for Planned Development Area Review Approval of the Code; and

FURTHER

VOTED: That pursuant to the provisions of Section 3-1A.a and Article 80C of the Code, the Authority hereby approves the Second Amendment to PDA Plan No. 53 and authorizes the Director to petition the Boston Zoning Commission for approval of the Second Amendment to PDA Plan No. 53 in substantial accord with the form of the Second Amendment to PDA Plan No. 53 submitted to the Authority at its public hearing on December 14, 2010 and attached hereto; and

FURTHER

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

FURTHER

VOTED: That upon approval of the Second Amendment to PDA Plan No. 53 by the Boston Zoning Commission, the Director be, and hereby is, authorized to issue one or more Certifications of Consistency for the Proposed Projects under Section 80C-8 of the Code; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute amendments to the Cooperation Agreement, the Development Impact Project Agreement and the Boston Residents Construction Employment Plan for the Channel Center Project if and to the extent required in connection with the Second Amendment to PDA Plan No. 53, and execute and deliver one or more Affordable Rental Housing Agreements and Restrictions, and any and all other agreements and documents which the Director deems appropriate and necessary in connection with the Second Amendment to PDA Plan No. 53 and with the Proposed Projects, all upon terms and conditions determined to be in the best interests of the Authority.