

MEMORANDUM

OCTOBER 17, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
DAVID CARLSON, SENIOR ARCHITECT, URBAN DESIGN
MARY KNASAS, SENIOR PLANNER III
LAUREN SHURTLEFF, PLANNER II
JOHN FITZGERALD, SENIOR PROJECT MANAGER

SUBJECT: PUBLIC HEARING ON THE COPLEY PLACE RESIDENTIAL
ADDITION AND RETAIL EXPANSION PROJECT IN THE BACK BAY
AND TO CONSIDER THE AMENDED AND RESTATED
DEVELOPMENT PLAN FOR PLANNED DEVELOPMENT AREA NO. 84

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (the "BRA" or the "Authority") (i) authorize the BRA Director (the "Director") to issue a Determination waiving further review in connection with a Notice of Project Change filed for the Copley Place Residential Addition and Retail Expansion Project (the "Proposed Project") pursuant to Section 80A-6 of the Boston Zoning Code (the "Code"); (ii) approve the Amended and Restated Development Plan for Planned Development Area No. 84, Copley Place and the Copley Place Residential Addition and Retail Expansion Project, Huntington Avenue/Prudential Center District (the "Development Plan"), and authorize the Director to petition the Zoning Commission for the approval of the Development Plan; (iii) approve the Proposed Project as a Development Impact Project within the meaning of Section 80B-7 of the Code; (iv) authorize the Director to issue a Certification of Compliance for the Proposed Project pursuant to Section 80B-6 of the Code; (v) authorize the Director to issue a Certification of Consistency for the Proposed Project pursuant to Section 80C-8 of the Code; and (vi) authorize the Director to execute and deliver a Cooperation Agreement, Boston Residents Construction Employment Plan, Affordable Rental Housing Agreement and Restriction, a Development Impact Project Agreement, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project.

PROJECT SITE AND HISTORY

The existing Copley Place consists of three (3) levels of parking containing approximately 860 parking spaces, three (3) levels of retail with shops and restaurants containing approximately 520,000 square feet of retail space, seven (7) levels of office space containing approximately 770,000 square feet of office space, and accessory and ancillary mechanical and support space, including connecting bridges and appurtenances for a total area (excluding parking) of approximately 1,290,000 square feet (the "Project Site"). The Project Site is located within the Huntington Avenue/Prudential Center District, within Article 41 of the Code.

The BRA has played a review and approval role in the development of the original Copley Place project since its inception in 1978. Subsequent to the original Copley Place project in the late 1970s and early 1980s, the review and approval mechanism for developments on Massachusetts Turnpike Authority ("MTA") air rights has been the subject to both legislative and contractual actions. In accordance with Section 7 of Chapter 3 of the Acts of 1997 entitled "An Act Relative to the Massachusetts Turnpike Authority and the Metropolitan Highway System" (the "Act"), the City of Boston, acting by and through the BRA, entered into a Memorandum of Understanding ("MOU") with the MTA on June 1, 1997. The MOU provided for BRA review regarding other areas of the Massachusetts Turnpike ("MassPike") Extension into Boston.

The Proposed Project will add to the original Copley Place project, which was initially built on air rights above the Boston Extension of the MassPike in the early 1980s. The MassPike was extended from Route 128 into Downtown Boston in the 1960s. Except in the case of the Prudential Center, the MassPike Extension was built in an open cut created by an existing railroad right-of-way that separated neighborhoods on either side of the tracks since the mid-19th century.

By bridging over the MassPike off-ramps in the block bounded by Harcourt Street, Stuart Street, Dartmouth Street and the Southwest Corridor, the original Copley Place project played an important role in repairing the open cut of the former railroad right-of-way, and provided significant urban design and social benefits by linking the Back Bay and South End communities, as well as stimulating economic growth. The original Copley Place project includes approximately 3.4 million square feet of retail, office and hotel uses. Housing also was included and located facing Harcourt Street and the Southwest Corridor, adjoining the South End and Saint Botolph Street residential areas.

The Proposed Project will occupy a portion of the Project Site at the southwest corner of Stuart and Dartmouth Streets that was not built upon as part of the original Copley Place project, as it was located directly above the main artery of the MassPike. This portion of the Project Site currently functions as large brick-paved entry plaza for Neiman Marcus and Copley Place.

PROJECT BACKGROUND

The Project was previously reviewed under Article 80B of the Code. A Project Notification Form (“PNF”) for the Project was filed by Copley Place Associates, LLC (the “Proponent”) with the BRA on June 23, 2008; a Draft Project Impact Report (“DPIR”) was filed on August 15, 2011. On December 1, 2011, the BRA Director issued a Preliminary Adequacy Determination waiving further review of the Project. On November 17, 2011, the BRA Board approved a Development Plan for the Project (the “Original Development Plan”), which was approved by the Boston Zoning Commission on December 14, 2011.

As previously approved, the Proposed Project consisted of up to 785,000 square feet of new retail and residential uses, including approximately 115,000 square feet of new retail and restaurant space, which includes an approximately 40,000 square foot expansion of the existing 115,000 square foot Neiman Marcus store, and approximately 75,000 square feet of new retail, restaurant and “wintergarden” uses with associated support areas, and approximately 670,000 square feet of new residential space, including a sky lobby with residential amenities and associated support areas for approximately 318 units. The maximum approved height was 625 feet.

THE PROPOSED PROJECT

Following the approval of the Project in 2011, the Proponent further studied the residential program and the evolving residential housing market to ensure that when completed, the Proposed Project successfully meets the needs of Boston and its residents. The Proponent concluded that certain program modifications were required to respond to market dynamics and, accordingly, filed a Notice of Project Change (“NPC”) on July 18, 2013 and an Amended and Restated Development Plan on August 2, 2013.

The refined plans for the Proposed Project, as presented in the NPC, now propose to increase the number of residential units and adjust the composition to include both condominium and apartment residences by reconfiguring the interior space and floor plans, within the previously approved building height. The residential component of the Proposed Project will now include approximately 109 condominium units and approximately 433 residential apartments. The Proposed Project still includes an approximately 40,000 square foot expansion of the existing 115,000 square foot Neiman Marcus store, which will be renovated, and approximately 75,000 square feet of new retail, restaurant and interior, four-season atrium uses with associated support areas. As set forth in the NPC, the Proposed Project will provide approximately 680,000 square feet of new residential space, including a sky lobby with residential amenities and associated support areas for approximately 542 residential units. Overall, the Proposed Project will add up to 805,000 square feet of new retail and residential uses. The maximum height for the Proposed Project will remain at 625 feet.

The Proponent is considering a phased approach to construction:

Phase 1: Improvements to Southwest Corridor Entry

Phase 2: Foundations and the retail podium

Phase 3: Residential tower

The total development cost for the Proposed Project is approximately \$500 million.

ZONING AND PLANNED DEVELOPMENT AREA

The development of the original Copley Place project in 1980 was exempt from the Code for air rights only, pursuant to the Legislation authorizing the MTA to lease air rights. In accordance with Section 7 of Chapter 3 of the Acts of 1997, the City of Boston, acting by and through the BRA entered into an MOU, as previously described in the Project Site and History section of this memorandum. Notwithstanding the foregoing, in 2010, the Legislature adopted Chapter 302 of the Acts of 2010 and made the original Copley Place project and the Proposed Project subject to the Code. As a result, the Project Site is located within the Huntington Avenue/Prudential Center District, governed by Article 41 of the Code.

On August 10, 2011, the BZC approved an amendment to Article 41 of the Code to allow for the establishment of Planned Development Area ("PDA") zoning for Copley Place. On September 16, 2011, the Proponent filed a Development Plan outlining the zoning for an area consisting of air rights over the MassPike, bounded generally by Huntington Avenue, Stuart Street, Dartmouth Street, the Southwest Corridor and Harcourt Street, containing approximately 264,423 square feet (6.07 acres). On November 17, 2011, the BRA approved the Development Plan, which was approved by the Boston Zoning Commission on December 14, 2011. On August 2, 2013, the Proponent submitted an Amended and Restated Development Plan which reflects the changes to the Proposed Project outlined in this memorandum.

The Proposed Project is located within the Groundwater Conservation Overlay District. The Proponent will incorporate groundwater conservation systems into the Proposed Project that meet the groundwater conservation standards of Article 32 and the Proponent will obtain a written determination from the Boston Water and Sewer Commission as to whether such standards are met. The Proponent will provide a copy of this letter to the BRA and Boston Groundwater Trust prior to the issuance of a Certification of Consistency. Accordingly, the Proponent will not be required to obtain a conditional use permit from the Board of Appeal and shall be deemed to be in compliance with Article 32.

In addition, the Proponent has incorporated the LEED Building Rating System criteria in the design of the Proposed Project. As a result, the Proposed Project has been

designated to meet LEED standards and shall comply with the requirements of Article 37, Green Buildings, of the Code.

ARTICLE 80 REVIEW

The Proponent submitted a Notice of Project Change (“NPC”) on July 17, 2013. At the request of the Proponent, the comment period was extended to September 30, 2013. The Amended and Restated Development Plan was filed on August 2, 2013, notice of which was published in the Boston Herald on August 7, 2013. A public meeting was held on September 17, 2013 at the Copley Place office building. As discussed below, the Copley Expansion Citizens Advisory Committee held several meetings regarding the project changes described in the NPC.

The Proponent made an initial presentation regarding the NPC to the Boston Civic Design Commission (“BCDC”) on August 6, 2013. The Proposed Project was sent to subcommittee for further review, which took place on August 28, 2013 and September 24, 2013. On October 15, 2013, the BCDC voted to approve the Proposed Project’s revised design.

PUBLIC PROCESS

The Copley Place Expansion Citizens Advisory Committee (“CAC”) is made up of eleven (11) members, including residents, owners, community organizations, and professionals. The CAC was appointed by Mayor Menino in 2008 to review and guide the Proposed Project. The CAC was reconvened to review the revisions to the Proposed Project both prior to and following the Proponent’s submission of the NPC. The CAC, or subcommittees thereof, held meetings on June 19, 2013, July 2, 2013, July 31, 2013, August 14, 2013, and September 12, 2013 to review the major elements of the Proposed Project refinements, including transportation impacts and public art.

In addition, the Proponent met with several elected officials, including Representative Rushing, Representative Livingstone, Representative Michlewicz, Councilor Ross, Councilor Linehan, and Councilor Pressley. The Proponent also met with several public agencies, including the Commission for Persons with Disabilities, the Boston Transportation Department, the MBTA, and MassDOT. The Proponent also met with Tent City, its direct abutter.

AFFORDABLE HOUSING

The Proposed Project will provide a total of 71 affordable units, allocated as follows:

- Studio Units. Twenty-two (22) of the affordable units will be studio units.
- One-Bedroom Units. Thirty-three (33) of the affordable units will be one-bedroom units.

- Two-Bedroom Units. Fifteen (15) of the affordable units will be two-bedroom units.
- Three-Bedroom Units. One (1) of the affordable units will be a three-bedroom unit.

The affordable unit type mix will to be consistent with the market rate unit type mix and the affordable units will located on floors 7-29 of the residential component of the Proposed Project.

MITIGATION AND PUBLIC BENEFITS

- 71 on-site units of affordable housing;
- Contribution to support the City's Public Art initiative of up to \$1,000,000;
- A \$250,0000 contribution to the Southwest Corridor Park Conservancy;
- A \$250,000 contribution to the Friends of Copley Square;
- Improvements to Southwest Corridor Park between Harcourt & Dartmouth Street, including a landscape plan that will provide unobstructed sight lines to community retail space on both sides of the Southwest Corridor. The improvements will include active uses in the landscape to further attract pedestrian uses and incorporate elements identifying the Southwest Corridor Park;
- Improvements to the public realm surrounding the site including increased transparency of the proposed façade, improved visual connections between the interior and exterior, enhanced public realm amenities and landscaping, and new street-level retail and restaurant destinations;
- Improvements to the Stuart Street/Dartmouth Street intersection;
- Improvements for pedestrian access and ADA accessibility;
- Supporting the growing trend of cycling for commuting and fun by allocating indoor secure bicycle storage per residential unit and incorporating additional bicycle racks into the external spaces;
- Design and construction using sustainable principles, supporting energy-efficiency;

- The creation of approximately 1,700 construction jobs and 250-270 permanent jobs;
- The generation of approximately \$7.2 million in annual property tax revenues to the City of Boston; and
- The generation of approximately \$1,023,100 in housing linkage funds and \$204,100 in jobs linkage.

DEVELOPMENT IMPACT PROJECT (“DIP”) EXACTION

As previously determined by the Authority, the Proposed Project constitutes a Development Impact Project (“DIP Project”) under Article 80B-7 of the Code. As set forth in the prior approvals, the Proponent will provide the Neighborhood Housing Trust payment contribution of approximately \$1,023,100 and a Neighborhood Jobs Trust contribution of \$204,100. These estimated linkage payments are calculated as follows:

Housing Linkage:

DIP Uses	230,000 square feet
Exclusion	-100,000
	<hr/>
	130,000
	x \$7.87 / square foot
	<hr/>
	\$1,023,100

Jobs Linkage:

DIP Uses	230,000 square feet
Exclusion	-100,000
	<hr/>
	130,000
	x \$1.57 / square foot
	<hr/>
	\$204,100

DEVELOPMENT TEAM

Proponent

Copley Place Associates, LLC
 c/o Simon Property Group
 225 W. Washington Street
 Indianapolis, IN 46204
 Patrick Peterman, Gaylon Melton

Development Consultant

Collaborative Partners, Inc.
330 Congress Street
Boston, MA 02210
617-778-0900
Jack Hobbs, Donna Camiolo

Architect

Elkus Manfredi Architects
300 A Street
Boston, MA 02210
617-426-1300
Howard Elkus, Rob Halter

Environmental Consultant

Epsilon Associates, Inc.
3 Clock Tower Place, Suite 250
Maynard, MA 01754
978- 897-7100
Elizabeth Grob

Transportation and
Parking Consultant

Howard/Stein – Hudson, Inc.
38 Chauncy Street, 9th Floor
Boston, MA 02111
617- 482-7080
Guy Busa, Michael Santos

Legal Counsel

Rackemann, Sawyer & Brewster
160 Federal Street
Boston, MA 02110
617-542-2300
Louis C. Miller, Johanna W. Schneider

Geotechnical Consultant

Haley & Aldrich
465 Medford Street, Suite 200
Boston, MA 02129
617-886-7400
Marya Gorczyca

Civil Engineer

Parsons Brinkerhoff
75 Arlington Street, 9th Floor
Boston, MA 02116
617-426-7330
Andrew Boyd

Structural Engineer

McNamara /Salvia
160 Federal Street, 5th Floor

Boston, MA 02110
617-737-0040
Adam McCarthy

MEP Engineer

Vanderweil Engineers
274 Summer Street
Boston, MA 02210
617-423-7423
Alex Vanderweil

Landscape Architect

Carol R Johnson Associates
115 Broad Street
Boston, MA 02210
617-896-2500
Chris Jones

RECOMMENDATIONS

BRA staff recommends that the BRA take the following actions related to the Proposed Project and the Development Plan: (i) authorize the BRA Director (the "Director") to issue a Determination waiving further review in connection with a Notice of Project Change filed for the Copley Place Residential Addition and Retail Expansion Project (the "Proposed Project") pursuant to Section 80A-6 of the Boston Zoning Code (the "Code"); (ii) approve the Amended and Restated Development Plan for Planned Development Area No. 84, Copley Place and the Copley Place Residential Addition and Retail Expansion Project, Huntington Avenue/Prudential Center District (the "Development Plan"), and authorize the Director to petition the Zoning Commission for the approval of the Development Plan; (iii) approve the Proposed Project as a Development Impact Project within the meaning of Section 80B-7 of the Code; (iv) authorize the Director to issue a Certification of Compliance for the Proposed Project pursuant to Section 80B-6 of the Code; (v) authorize the Director to issue a Certification of Consistency for the Proposed Project pursuant to Section 80C-8 of the Code; and (vi) authorize the Director to execute and deliver a Cooperation Agreement, Boston Residents Construction Employment Plan, Affordable Rental Housing Agreement and Restrictions, a Development Impact Project Agreement, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project.

Appropriate votes follow:

VOTED: That the Director is authorized to issue a Determination pursuant to Section 80A-6 of the Boston Zoning Code (the "Code") waiving further review of the Proposed Copley Place Residential Addition and Retail Expansion (the "Proposed Project"), which (i) finds that the Notice of

Project Change submitted to the BRA on July 17, 2013 (“NPC”) adequately describes any potential impacts arising from the Proposed Project and provides sufficient mitigation measures to minimize such impacts, and (ii) waives further review of the NPC, subject to continuing design review by the Boston Redevelopment Authority (“BRA”); and

FURTHER

VOTED: That the Director is authorized to issue a Certification of Compliance pursuant to Section 80B-6 of the Code for the Proposed Project, upon successful completion of the Article 80 Processes, subject to ongoing design review by the BRA; and

FURTHER

VOTED: That, in connection with the Amended and Restated Development Plan for Planned Development Area No. 84, Copley Place and The Copley Place Residential Addition and Retail Expansion Project, Huntington Avenue/Prudential Center District, Boston (the “Development Plan”) presented at a public hearing duly held at the offices of the BRA on October 17, 2013, and after consideration of evidence presented at and in connection with the hearing on the PDA Plan, the BRA finds that: (a) the Development Plan is not for a location or Proposed Project for which Planned Development Areas are forbidden by the underlying zoning; (b) the Development Plan complies with any provisions of the underlying zoning that establish planning and development criteria, including public benefits, for Planned Development Areas; (c) the Proposed Project in the Development Plan complies with any provisions of the underlying zoning that establish use, dimensional, design or other requirements for Proposed Projects in Planned Development Areas; (d) the Development Plan conforms to the plan for the district, subdistrict, or similar geographic area in which the Planned Development Area is located, and to the general plan for the City as a whole; and (e) on balance, nothing in the Development Plan will be injurious to the neighborhood or otherwise detrimental to the public welfare, weighing all the benefits and burdens; and

FURTHER

VOTED: That, pursuant to Section 3-1A.a and 80C of the Code, the BRA approves the Development Plan, and authorizes the Director to petition the Boston Zoning Commission for approval of the Development Plan, in substantial accord with the form presented to the BRA at its October 17, 2013 hearing; and

FURTHER

VOTED: That the Director is authorized to issue a Certification of Consistency pursuant to Section 80C-8 of the Code for the Proposed Project, when the Director finds that: (a) the Proposed Project is described adequately in the Development Plan; (b) the Proposed Project is consistent with the Development Plan; and (c) the Development Plan has been approved by the BRA and the Boston Zoning Commission in accordance with the applicable provisions of Section 3-1A.a and Section 80C of the Code; and

FURTHER

VOTED: That the BRA approve the Proposed Project as a Development Impact Project within the meaning of Section 80B-7 of the Code and hereby finds and determines that the Proposed Project conforms to the general plan for the City of Boston, as a whole, and that nothing in the Proposed Project will be injurious to the neighborhood or otherwise detrimental to the public welfare; and

FURTHER

VOTED: That the Director is authorized to execute all documents and agreements deemed necessary and appropriate by the Director in connection with the approval of the Proposed Project and the Development Plan, including but not limited to a Cooperation Agreement, a Boston Residents Construction Employment Plan, an Affordable Rental Housing Agreement and Restriction, a Development Impact Project Agreement, subject to such terms and conditions as the Director deems to be in the best interest of the BRA, and to take such other actions deemed necessary and appropriate by the Director in connection with the foregoing.