

MEMORANDUM

DECEMBER 5, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
CASEY HINES, PROJECT MANAGER

SUBJECT: LOVEJOY WHARF PROJECT
131 BEVERLY STREET AND 160 NORTH WASHINGTON STREET

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority ("BRA") authorize the Director to: (1) issue a Determination waiving further review approving the Second Notice of Project Change for the Lovejoy Wharf Project (the "Second NPC") and waiving the requirement of further review pursuant to Section 80A-6.2 of the Boston Zoning Code (the "Code"); (2) issue a Certification of Compliance under Section 80B-6 of the Code for the Second NPC upon successful completion of the Article 80B Large Project Review Process; and (3) execute a Cooperation Agreement, as required by the Director, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Second NPC.

PROJECT SITE

The Lovejoy Wharf site is an approximately 2.1 acre (91,390 square-foot) waterfront parcel that included two adjoining buildings and a wharf structure in need of extensive repair and/or replacement. The site is generally bounded by North Washington Street to the east, Lovejoy Place to the south, Beverly Street to the west, and by the Boston Inner Harbor to the north (the "Project Site").

The nine-story 160 North Washington Street building, which was historically used for a variety of office and other commercial and industrial uses, is currently under construction consistent with the current approvals. Work on the 160 North Washington Street building is scheduled to be completed by early 2015. The adjacent nine-story building at 131 Beverly Street was dilapidated, abandoned, and deemed unsafe for re-occupation. In consideration of its condition and public safety, and in compliance with the Lovejoy Wharf Project approvals, the 131 Beverly Street building was demolished in the early part of this year. The cleared building footprint will serve as the primary staging area for the construction of the new 160 North Washington Street building and the site of a new 131 Beverly Street building.

Approximately one-third of the existing wharf structure was until recently used for surface parking (along Beverly Street), while the remainder (towards North Washington Street) was deteriorated, fenced off, and unsafe for use. As part of the Lovejoy Wharf Project the wharf has been demolished and the construction of a new almost 3/4 acre public wharf has been initiated and is scheduled to be completed by the end of 2014.

The Project Site also includes a portion of Lovejoy Place to the centerline, which represents approximately 9,508 square feet of the Project Site. Lovejoy Place is a private way not open for public travel.

PROJECT BACKGROUND

On November 16, 2006, the BRA approved the Lovejoy Wharf Project. At the time, North Washington Wharf LLC and 131 Beverly Street LLC proposed the provision of 250 new residential units and a mix of ground-level retail and restaurant uses in a rehabilitated historic structure at 160 North Washington Street and a new 10- to 14-story structure at 131 Beverly Street. The buildings were to have a maximum height of 155 feet (the "Originally Approved Project"). The Originally Approved Project was never built due to a lawsuit and the economic downturn.

In 2012, The Beal Companies LLP and Related Companies LP agreed to acquire the Project Site and submitted a Notice of Project Change (the "First NPC") to the BRA on November 2, 2012. The primary modification to the Originally Approved Project related to the fact that the floors originally approved for residential use in the 160 North Washington Street building were converted to be used for office purposes. The residential use of the 131 Beverly Street building remained as originally approved. There were no changes proposed to the building footprint for either the existing 160 North Washington Street building or the originally approved 131 Beverly Street building, and there were no proposed changes in height. The First NPC was approved by the BRA Board on December 13, 2012 ("Approved Project").

The 160 North Washington Street building is currently under construction, and upon completion will be the home to the new global headquarters of Converse, Inc., a subsidiary of NIKE, Inc.

SECOND NOTICE OF PROJECT CHANGE

On September 24, 2013 Related Beal, LLC (the "Proponent") submitted a second Notice of Project Change to the BRA. The primary modification to the Approved Project relates to the 131 Beverly Street building and is associated with the reconfiguration of the building as a free-standing residential building independent and distinct from the 160 North Washington Street building. This includes the redesign of all internal

corridors, interior layout, common lobbies and amenities and the establishment of separate mechanical systems.

The Originally Approved Project as presented in the 2006 Article 80 FPIR contemplated a total of 250 residential units. As a result of the reconfiguration of the 131 Beverly Street building and the previously approved conversion of the 160 North Washington Street building to commercial use, the Approved Project now includes approximately 175 residential units, all of which will be located in the 131 Beverly Street building. The residential units are now anticipated to be built as for sale condominium units, as opposed to the previous developer's plans for a rental product. The reconfiguration also includes the elimination of the robotic garage originally included in the 131 Beverly Street building (the "Proposed Project").

DEVELOPMENT TEAM

The Proponent is Peter Spellios of Related Beal, LLP. Robert A.M. Stern Architects, LLP and ADD, Inc. are the architects. Copley Wolff Design Group is the Landscape Architect. Nutter McClennen & Fish LLP are the Legal Counsel. Epsilon Associates is the permitting consultants.

PUBLIC BENEFITS

The Proposed Project offers the opportunity to revitalize a critical block on the Boston waterfront by preserving and substantially rehabilitating the historic 160 North Washington Street building and providing a new complementary adjoining structure in place of the unsalvageable and now demolished 131 Beverly Street building. The benefits of the Lovejoy Wharf Project were described in detail in the FPIR and all of those benefits will be carried forward with the Proposed Project's implementation. The Proponent is excited to be moving forward with this long delayed project, and to be able to provide the many benefits of the project. Among the many benefits described previously, the project will:

- Preserve and rehabilitate the 160 North Washington Street Building.
- Entirely replace and landscape the existing dilapidated wharf, providing approximately three-quarters of an acre of landscaped waterfront open space available to the public for formal and informal gatherings, seasonal markets/vending carts, events, public displays of music, art, and dance, and other events designed to enliven the waterfront.
- Create a pedestrian stair at the eastern side of the site along the Charlestown Bridge at the 160 North Washington Street Building that will connect the Bridge sidewalk to the wharf and Harborwalk below. An internal, prominently located and accessible elevator between the sidewalk and wharf levels will also be provided within the associated Pavilion structure.

- Create a new 12-foot wide Harborwalk connection along the entire length of the Project Site's waterfront. The Harborwalk will be constructed at the elevation of the CA/T-constructed Harborwalk section passing under the North Washington Street/Charlestown Bridge.
- Create an approximately 250-foot long floating dock at the edge of the wharf for touch-and-go dockage, on-call water taxi services, and other temporary boat docking.
- Provide a water transportation subsidy of approximately \$794,000 as in-kind support for water transportation and operating subsidy for water transportation services.
- Provide approximately 175 residential units so as to contribute to the transformation of the neighborhood into a vibrant 24 hour mixed-use community.
- Provide approximately 2,000 square feet of rent-free building space on the ground floor of the 131 Beverly Street for use as a Visitor Center by a non-profit organization.
- Pull back the 131 Beverly Street Building from Beverly Street, a significant architectural gesture that will improve pedestrian and visual access to the water. This corner of the site, which is now narrow, will thus be opened up at the pedestrian level and will become an easily accessible avenue from Causeway Street to the Boston waterfront.
- Provide a Development Impact Project contribution to the Neighborhood Housing Trust and Neighborhood Jobs Trust in connection with the 160 North Washington Street portion of the Lovejoy Wharf Project.
- Prepare and implement a Transportation Demand Management program for the site targeted at reducing automobile dependency and encouraging transportation by other modes.
- Provide approximately 300 to 350 construction jobs.

ZONING

The Approved Project required a Conditional Use Permit for commercial parking pursuant to Section 6-3, Section 6-3A and Section 39-12.3(d) of the Code related to the robotic garage as part of the 131 Beverly Street building. With the elimination of the garage, the Proposed Project will now comply with all zoning requirements.

Now As of Right, the Proposed Project will no longer be subject to the requirements of the Inclusionary Development Policy. The Proponent will, however, contribute a total of approximately \$6,750,000 to the BRA to support future affordable housing initiatives. Payment scheduled detailed below.

Total Payment:	\$ 6,750,000
Building Permit	\$ 675,000
First Certificate of Occupancy	\$ 1,012,500
12 months following C of O	\$ 1,012,500
24 months following C of O	\$ 1,012,500
36 months following C of O	\$ 1,012,500
48 months following C of O	\$ 1,012,500
60 months following C of O	\$ 1,012,500

RECOMMENDATION

BRA staff recommends that the Director be authorized to: (1) issue a Determination waiving further review approving the Second NPC and waiving the requirement of further review pursuant to Section 80A-6.2 of the Boston Zoning Code; (2) issue a Certification of Compliance under Section 80B-6 of the Code for the Second NPC upon successful completion of the Article 80B Large Project Review Process; and (3) execute a Cooperation Agreement, as required by the Director, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Second NPC.

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 second Notice of Project Change submitted by Related Beal, LLC (the “Proponent”) does not significantly increase the impacts arising from the Lovejoy Wharf Redevelopment Project in the North Station Economic Development Area (the “Proposed Project”) located at 131 Beverly Street and 160 North Washington Street (the “Project Site”) and waives further review of the Proposed Project, subject to continuing design review by the Boston Redevelopment Authority (the “BRA”); and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue a Certification of Compliance under Section 80B-6 of the Code for the Second NPC Project upon successful completion of the Article 80B Large Project Review Process; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute a Cooperation Agreement, and any and all other agreements and documents that the Director deems appropriate and necessary with terms and conditions determined by the Director to be in the best interest of the BRA.