

Roxbury Strategic Master Plan Oversight Committee Meeting Monday, November 4, 2019 6:00 PM to 7:45pm

Bruce C. Bolling Municipal Building, 2300 Washington St, Roxbury

#### **Attendees**

**RSMPOC Members:** Frederick Fairfield, Steven Godfrey, Dorothea Jones, Nefertiti Lawrence, Marisa Luse, Norman Stembridge, Frank Williams

**Not in Attendance**: True-See Allah, Charlotte Nelson, Susan Sullivan, Lorraine Payne Wheeler, Curtis Rollins (RNC Representative), Catherine Hardaway, Valeda Britton, Kim Napoli, Jorge Martinez, City Councilor Kim Janey (Ex-Officio), Rep. Liz Miranda (Ex-Officio), Rep. Jon Santiago (Ex-Officio), Rep. Chynah Tyler (Ex-officio), State Senator Sonia Chang-Diaz (Ex-Officio).

BPDA Staff: Muge Undemir, Morgan McDaniel, Dana Whiteside

**DND Staff:** Jessica Boatright

**Link to PowerPoint:** <a href="http://www.bostonplans.org/getattachment/663faddd-5248-4d80-b0d8-893b66c74c31">http://www.bostonplans.org/getattachment/663faddd-5248-4d80-b0d8-893b66c74c31</a>

## **Opening**

On November 4, 2019 Co-Chair Norman Stembridge of the Roxbury Strategic Master Plan Oversight Committee called the meeting to order. The meeting agenda, committee responsibilities, and Master Plan's original goals were reviewed, as well as the remaining 2019 RSMPOC public meeting calendar.

## **Planning Update**

Muge Undemir, BPDA Senior Planner, presented the planning update. Included in the update was an overview of the process to date, as well as a notification for upcoming meetings related to PLAN: Dudley Square and other important meetings coming up in Roxbury. She notified the community of the Project Review Committee Nomination deadline as well.

Following the planning update, Muge provided a detailed explanation of the Request for Proposal process and how publicly-owned land, such as those in the PLAN: Dudley Initiative, move throughout the process and how they are eventually developed. She walked through each step of the process and noted opportunities for the community to engage closely with the process and provide feedback.

## **RSMPOC and Community Questions and Comments**

- A community member asked where lease negotiations fit into the RFP process. Does the Board vote on the lease? A BPDA representative responded that once a developer reached final designation, after Article 80, they have exclusive rights to enter lease negotiations with the BPDA. The Board votes on the final designation, not on the lease.
- A community member asked how the BPDA approaches giving discounts on land disposition, who makes the determination, and when in the process this occurs. A BPDA representative responded saying that the RFP states what the fair market value is for the land but then requests that developers present a case for offering less. For example, if the land price is low then the amount of affordable housing can be greater.
- A representative from ACE (Alternatives for the Community and Environment) requested that the process be more transparent regarding affordable housing and that the City address the number of expiring uses for affordable housing in the City. A BPDA representative stated that the numbers of expiring uses would be provided at the next meeting.
- A community member asked if there would be a discussion on P3 and what the next steps are.
   The BPDA responded that there would be following the Developer updates.
- A community member asked if a lease is signed between the developer and BPDA and if the language was accessible to the public? The BPDA responded yes to both questions
- A community member asked if there is a matrix for the value of the appraisal and asked who determines the value of the land and how the BPDA then waives the value. The BPDA responded that the value of the land is determined by an appraiser and the value is determined by the use that the land is designated for.
- A community member asked if Nawn and Parcel 8 asks for Fair market value through the
  legislation, how will the BPDA deal with that? The BPDA responded that because of 2014
  legislation, the state owned portion of the property has to receive fair market value for the land
   – which is 5million another portion is from the BPDA and the fair market value was
  determined but we don't expect to receive that. We may have to help subsidize with the land
  value from the BPDA
- A community members asked if BPDA land is public land and if the community has a say in what happened to the land. The BPDA responded that the agency is public, which makes the land public land. Regarding community process, the BPDA has been working with the community through PLAN: Dudley Square to determine the uses for the land, which is how the community engages and is involved in determining what happens to the land. Land throughout the City is owned by different entities. For example, the Department of Neighborhood Development owns land, the State owns land, and the BPDA owns land it is all public land.

## **Development Project Update**

Following the planning update, Dana Whiteside, BPDA Deputy Director for Community Economic Development gave a high level description of the following development projects. Representatives from the development teams were present to answer questions from the RSMPOC and the Community.

Bartlett Place: http://www.bostonplans.org/projects/development-projects/bartlett-station-lot-d

- Bartlett is a multi-phased project proposed/managed by Nuestra CDC and Windale
  Development Company, which has been designated to Bartlett Place LLC. It consists of
  commercial, residential, and office/commercial. There are a number of components
  divided by building type and is a multi-phased project.
- There are five phases to this development and the development team submitted their Article 80 filing for Lot F parcels in September. There next project review update and discussion will be scheduled for mid-November

**Madison Tropical:** <a href="http://www.bostonredevelopmentauthority.org/projects/development-projects/madison-tropical-parcel-10">http://www.bostonredevelopmentauthority.org/projects/development-projects/madison-tropical-parcel-10</a>

- The development is designated. This is an approximant \$57 million project and is
  proposed by Madison CDC and Tropical Foods. The Tropical Foods in operational and the
  next components of the project, is 2101 Washington, now 9 Williams which is
  completed and fully occupied. 2085 Washington is filing a Notice of Project Change in
  order to amend project program from commercial to mixed-use residential.
- The next project update and discussion is scheduled for mid/late November.

#### **Melnea Hotel and Residences:**

http://www.bostonredevelopmentauthority.org/projects/development-projects/melnea-hotel-and-residences

137 million square feet project, approximately \$50 million dollar development cost.

**Tremont Crossing:** <a href="http://www.bostonredevelopmentauthority.org/projects/development-projects/tremont-crossing-(p-3)">http://www.bostonredevelopmentauthority.org/projects/development-projects/tremont-crossing-(p-3)</a>

- The project is a partnership between Feldco Development Corporation and the National Center for African-American Artists. It hosts the NCAAA museum as its cornerstone but also the creation of upwards of 700 residential units and other commercial uses. The project received final designation in April 2019. Tremont Crossing is approximately a \$500 million project.
- Designations are for a specific period of time. BPDA's purview to extend or not extend designation if milestones have not been reached and allow it to lapse. We do not "de-designate." BPDA came to a determination not to extend final designation. Ended October 31<sup>st</sup> and did not renew at the October Board due to financing of the project. It is important to the community and the BPDA to move forward with the issuance of a new RFP informed by Plan Dudley and the community process around Plan Dudley RFPs. No development team is excluded.

#### **RSMPOC Comments**

 A member of the RSMPOC asked if Tremont Crossing developers had their financing in place at the end of October, and if they did, why the BPDA not extended the designation. A BPDA representative responded that the development team did provide info in regards to a new financier but the BPDA determined that the information was not sufficient to move forward. As the landowner, the BPDA had to make a determination as to the firmness of the commitment and the ability to move forward in an expeditious manner, and the documentation presented to the BPDA was not sufficient enough to extend the designation.

- An RSMPOC member asked how long the designation was in place and when the BPDA
  determined that they would not extend, if they took into account the financial impact of
  letting the designation run out. The BPDA stated that designation was granted in 2003 and
  that the financial impact was taken into account.
- Jeff Feldman from P3 Partners made a statement detailing that they had a commitment for enabling financing, mezzanine load for enabling infrastructure but that the commitment fell through. They were able to replace them within three weeks after Ladder Capital pulled back and they currently have better terms with DW Partners. Jeff stated that they were in a better place than before Ladder pulled back. They stated that this had all taken place within a month, since the last OC meeting, a relatively short time for a financial lapse. They stated that DW partners is a very sophisticated lending institution with \$1.6B in assets and \$.5B invested in Boston including the Boston Marriott Long Wharf, 10 Milk St. They stated that DW knows the landscape and cares about Boston and is committed to close the loan in due haste. Jeff said that they provided this info to the BPDA and asked for a 30 day extension. They have spent the last 8 years working on P3 and it plays a critical role in housing needs of Roxbury and economic development. They stated that is was a wasted opportunity to let the designation run out and that it was inexplicable.
- An RSMPOC member commended P3 partners stating that they have attended every
  meeting for the past 8 years. They stated that there shouldn't have been a decision made by
  the BPDA is P3 was able to get the financing and that the BPDA did not consult the Roxbury
  community before letting the designation run out. They stated that the City of Boston allows
  for police to park on the site without providing anything for the Roxbury community and
  that it is inexcusable.
- An RSMPOC member asked if BJs was still signed on to occupy a portion of P3 to which Jeff Feldman responded yes.
- An RSMPOC member asked how the decision was made about the financier to which a BPDA representative responded that they received a letter and term sheet from the financier that was determined to be insufficient by the BPDA legal, finance, and real estate team.
- An RSMPOC member stated that no one in Roxbury had any insight into these decisions.
- An RSMPOC member asked what the difference between a term sheet and a commitment letter is, to which P3 responded that there is no such thing as a binding commitment letter and no binding agreement until closing a loan. They stated that they could not get a binding commitment without site control and that would have been possible with a 30 day extension.

- An RSMPOC member asked if P3 would be available to discuss further with the RSMPOC to which P3 responded yes.
- An RSMPOC member asked for the BPDA to clarify what was insufficient about the paperwork. The BPDA responded that the team that works on the development include legal, finance, and real estate. For final designations a ground lease is not used to secure funding, which was being asked of the BPDA. They stated that if the BPDA were to use a ground lease as collateral, there would need to be real assurances from a lender and the legal team would then do due diligence. This would take longer than the 30 days the developer is suggesting.
- An RSMPOC member then asked what the next steps were for the RFP process. The BPDA responded that a new RFP would be issued under the lens of PLAN: Dudley Square. This would ensure economic development, affordable housing, good job standards, diversity and inclusion, and other criteria outlined in the PLAN: Dudley RFPs. There would be a review of design guidelines, development priorities, and appropriate uses. No development team would be precluded from responding to the new RFP.
- An RSMPOC member asked if P3 used the same proposal that they submitted 8 years ago and no one else big on the RFP, could P3 be accepted all over again? And if so, why wouldn't the BPDA just extend for another 30-90 days. They stated that it did not make sense because too much time was invested and 30 days is not a lot of time. They stated that the City of Boston even has a history with the financiers so why not.
- An RSMPOC member asked about Bartlett Yard and the changes that are being made to the
  development. They stated that the PRC has not been updated on the changes. They stated
  that their role is to make sure projects go forth and there are construction jobs and
  permanent jobs. They requested that Nuestra provide information as to why there was a
  change in the commercial space and how Bartlett Yard plans on fulfilling its promise to bring
  wealth to the community.
  - A representative from Nuestra stated that the change occurred because there was a change in funding. They were relying on New Market Tax Credits for the commercial space but it did not come through because of limited allocation in New England. It is for this reason they have made changes in their programming and reconfigured Building A to increase residential units and eliminate commercial office space on the second floor.
- An RSMPOC member asked what percent of the financing for the project the tax credit represented. A Nuestra representative stated that the percentage was not important, rather it was the type of funding that was most important. The New Market Tax Credits are required for commercial space and once it was not available they needed to ask for an increase in City and State funding for the residential, which is more accessible.
- An RSMPOC member asked if there was space on the ground floor was left over because the
  market has shrunk. They also voiced their concern about the jobs the development would
  generate. The BPDA responded that Good Foods Market was in building B and that the

commercial component in building A is changing to residential. Nuestra responded that building B had not been reconfigured that building A was reconfigured. The changes that were made is that the Good Foods leased space has shrunk. Nuestra responded that they would get back to the RSMPOC about the exact square footage of change.

- An RSMPOC member asked about how many jobs they would have to which Nuestra replied that they did not have the information on hand but would provide it in the future.
- An RSMPOC member asked if the PRC reported to the oversight committee to which the BPDA replied that the development team has submitted their proposal for the change, which the PRC will be able to review, as well as other attendees.
- An RSMPOC member expressed that there has been inconsistencies in the process and that both Bartlett Yard and P3 are both talking about a change in financing. A BPDA representative said that Bartlett Yard is following the correct process.
- An RSMPOC member asked how many jobs P3 would create? They also stated that Tropical foods is not providing the jobs they promised and Bartlett Yard is not providing more than 25 jobs. They stated that developers are making changes without offering benefits to the community
  - Nuestra responded saying that they aim to create 100 permanent jobs, and have aggressive goals for construction jobs for women and people-of-color.
  - P3 Partners stated that they would have over 1500 permanent jobs in P3, split between retail and commercial, and 2000 commercial jobs. They stated that they developed programs to make sure Minority Business Enterprises have the tools to bid on subcontracts.

# **Community Comments**

- A community member asked if someone could clean up the Brownfield on P3. They stated
  that while all of this negotiation is going on, people are breathing contaminated soil. They
  requested a timeline for cleanup and the RFP process for Parcel P3. A BPDA representative
  responded that there would be a clean-up and that a timeline would be provided.
- A community member (representative from the Museum of African American Art) stated
  that P3 has among the most generous community benefits of any development in the City.
  They stated that the goals and commitment to the community should not be cavalierly
  tossed aside. They hope the decision will be reconsidered in the context of a community
  that has given to the City and gotten little in return.
- A community member asked if this was the first time the project has had a funding lapse to which P3 responded that this is the first time an issue in financing caused a lapse in designation.
- A community member asked if Bartlett has already presented their financial solution to the PRC and to the RSMPOC. And if the RSMPOC says no to this solution, what can be done. The

- BPDA responded that the developer will make a proposal and if the RSMPOC says no, the developer may need to rethink their proposal.
- A community member stated that transparence in decision making would be helpful and that P3 will be less risky and expensive if the BPDA cleans up the site itself, including groundwater.
- A community member stated that they are an abutter to Bartlett Yard and a co-founder of John Eliot Square Neighborhood Association. They stated that they are disgusted with the reps from Bartlett Yard because they do not have the numbers available to respond to questions. They voiced their frustration about the speed of development because the purpose of that land was for wealth creation. They asked if the PRC was still meeting. They also asked why the BPDA was moving forward with Madison Park's proposals, who continues to make changes. They asked why Bartlett Yard was not being held accountable and stated that there needed to be an equitable, transparent process with equal standards.
- An RSMPOC member stated that the committee hears the community and will look at P3
  and Bartlett Yard in detail and will have discussions with both development teams. They
  asked who reports employment numbers.
- A community member stated that Good Food Market projected 23 jobs and \$22 million in gross profit. They asked if this statement that Good Food Market made in a public forum was false. Nuestra replied that they don't believe that number will change and that if there is a change they will report it.

Norman Stembridge, Co-Chair of the RSMPOC closed the meeting and reminded everyone that the next workshop would be on January 6, 2020.

Meeting adjourned at 7.52pm.