

MEMORANDUM

DECEMBER 19, 2013

TO: BOSTON REDEVELOPMENT AUTHORITY AND
PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT
REVIEW
JOHN FITZGERALD, SENIOR PROJECT MANAGER

SUBJECT: BOSTON GARDEN PROJECT - 80 CAUSEWAY STREET
NORTH STATION ECONOMIC DEVELOPMENT AREA

SUMMARY: This Memorandum requests, as part of a scheduled public hearing, that the Boston Redevelopment Authority (the "Authority") take the following actions related to the Boston Garden Project (the "Project") located at 80 Causeway Street in the North Station Economic Development Area (the "Project Area"): (1) authorize the Director to issue a Scoping Determination waiving further review pursuant to Article 80B, Section 80B-5.3(d) of the Boston Zoning Code (the "Code"); (2) authorize the Director to issue a Certification of Compliance in accordance with the provisions of Section 80B-6 of the Code; (3) adopt a Report and Decision under Massachusetts General Laws Chapter 121A, approving the Project as set forth in Exhibit A; (4) adopt a Minor Amendment to the North Station Urban Renewal Area set forth in Exhibit B; and (5) authorize the Director to enter into and execute a Development Impact Project Agreement, a Cooperation Agreement, a Boston Residents Construction Employment Plan, an Affordable Housing Agreement, Memorandum of Understanding and First Source Agreement and any and all other agreements and documents required under Article 80 of the Code that the Director deems appropriate and necessary.

PROJECT AREA

The Project Area is comprised of (i) a parcel of land with a legal address of 80 Causeway Street containing of 2.035 acres (88,645± square feet) shown as a lot marked "N/F New Boston Garden Corporation, a Delaware North Corporation, LC Confirmation 35699A" on a plan entitled "Subdivision Plan of Land in Boston, Mass. Prepared For New Boston Garden Corporation," dated September 15, 1992, revised October 20, 1992, prepared by: Vanasse Hangen Brustlin, Inc., Consulting Engineers & Planners, recorded with the Suffolk County Registry of Deeds, in Book 17881, Page End; and (ii) the parcel of land

known as “Legends Way” containing 33,022 square feet, shown on a plan entitled “Subdivision Plan of Land” prepared by Vanasse Hangen Brustlin, Inc. dated May 17, 2012, recorded with the Suffolk County Registry of Deeds, in Book 2012 Page 174.

The Project Area is located adjacent to TD Garden and North Station and is bounded by Causeway Street to the south, the TD Garden to the north, the pedestrian connection from Causeway Street to the TD Garden and North Station to the west and Interstate 93 to the east. The Project Area is the former site of the original Boston Garden before the arena’s demolition in 1998. The Project Area is currently being utilized as a paved surface parking lot with access directly from Causeway Street.

PROJECT BACKGROUND

On May 15, 2013, the Proponent submitted a Letter of Intent in accordance with the Authority’s policy on mitigation, as outlined in Mayor Thomas M. Menino’s Executive Order Relative to the Provision of Mitigation by Development Projects in Boston.

An thirteen (13) member Impact Advisory Group (“IAG”) was formed with assistance from the Mayor’s Office of Neighborhood Services.

The Proponent filed an Expanded Project Notification Form (“Expanded PNF”) for the Proposed Project on September 6, 2013. Notice of the receipt by the Authority of the Expanded PNF was published in the Boston Herald on September 6, 2013, which initiated the public comment period with a closing date of October 7, 2013. The Notice and the Expanded PNF were sent to the City’s public agencies pursuant to Section 80A-2 of the Code. At the request of the IAG with the consent of the Proponent, the public comment period was extended to October 24, 2013.

Pursuant to Section 80B-5.3 of the Code, a scoping session was held on September 18, 2013 with the City’s public agencies and the IAG, where the Proposed Project was reviewed and discussed. The Notice and the Expanded PNF were sent to the City’s public agencies pursuant to Section 80A-2 of the Code. The Proponent conducted a public meeting on September 18, 2013 at Boston City Hall.

Following the September 18, 2013 public meeting, the Proponent made additional design changes to the Project based on comments received from the IAG, the City’s public agencies, community members, the Boston Civic Design Commission (“BCDC”), and Authority staff. These changes involved an increase in the civic space provided, improvements to pedestrian connections, and changes in the proposed massing and materials.

On December 6, 2013, the Proponent filed Additional Materials with the Authority, including information on the design changes and responses to the comments. The

Proponent has held more than thirty (30) meeting with local community groups. These meetings, as well as review of the comment letters sent to the Authority on the Expanded PNF, have informed improvements to the Project and the addition of more community benefits.

The Proponent is currently working with the Boston Transportation Department to develop a Construction Management Plan and a Transportation Access Plan Agreement in connection with the Proposed Project.

PROPOSED PROJECT

- (a) The Project is divided into the following Project Components:
- (i) 187,500 +/- square feet of retail space on the west side of a podium containing four stories plus one level below grade (the "West Podium Retail Component");
 - (ii) 47,500 +/- square feet of retail space on the east side of the podium referred to above containing two stories plus one level below grade (the "East Podium Retail Component"); and
 - (iii) 142,000 +/- square feet of flex office/retail space on the east side of the podium referred to above containing four stories (the "Flex Office/Retail Component").

The West Podium Retail Component, East Podium Retail Component and the Flex Office/Retail Component together comprise the "Podium Building".

- (iv) a connection, partially enclosed, of between 10,000 and 25,000 square feet and to be known as "Champion's Row", connecting Causeway Street to North Station and the TD Garden (the "Atrium Hall"). The Atrium Hall will include a multi-level entrance off Causeway Street that will draw visitors and commuters through all of the new commercial activities approaching the TD Garden and North Station. The Atrium Hall will facilitate the movement of Project patrons and members of the public into and through the Project, and a weather protected connection will bring visitors traveling on the Orange and Green Lines into the Project or through it on their way to the TD Garden or North Station;
- (v) a 20 +/- story hotel tower above the Podium Building containing approximately 200,000 square feet for approximately 306 rooms (the "Hotel Tower");

- (vi) a 45 +/- story residential tower above the Podium Building containing approximately 560,000 square feet for approximately 497 residential units (the "Residential Tower");
- (vii) a 25 +/- story tower with approximately 668,000 square feet of additional office space (the "Office Tower");
- (viii) an expansion of the accessory space within TD Garden on levels three through seven containing approximately 40,000 square feet for additional circulation areas, amenities and accessory space (no additional seating) (the "Garden Improvements"); and
- (ix) and a four-level below grade parking facility for approximately 800 parking spaces which will be integrated with the existing garage under North Station (the "Garage Expansion"). The Garage Expansion will be integrated with the existing garage under North Station and TD Garden (the "North Station Garage"). The North Station Garage is leased to Boston Garden Development Corp. pursuant to a long term lease, and the two parking facilities will operate as a unified garage. A ramp connecting Causeway Street to the North Station Garage is currently under construction, and access to and egress from the Garage Expansion will be via the two entrances and exits to and from the North Station Garage.

It is anticipated that the Project will be developed in four (4) or more phases as described below. The Proponent contemplates that the first phase of the Project will consist of the concurrent development of the following Project Components: the West Podium Retail Component; East Podium Retail Component; Flex Office/Retail Component; Atrium Hall; Garden Improvements; and Garage Expansion (collectively, "Phase One"). It is anticipated that the subsequent phases of the Project will consist of the Hotel Tower ("Phase Two"), Residential Tower ("Phase Three") and Office Tower ("Phase Four"). Phase One, Phase Two, Phase Three and Phase Four are individually referred to herein as a "Project Phase" and are collectively referred to herein as the "Project Phases".

DEVELOPMENT TEAM

The Proponents are Boston Garden Development Corp., 100 Legends Way, Boston, MA 02114, Attention: Christopher Maher, Vice President and Boston Properties Limited Partnership, 800 Boylston Street, 19th Floor, Boston, MA 02199, Attention: Michael A. Cantalupa, Senior Vice President- Development. Elkus Manfredi Architects, LTD are the architects, and Goodwin Procter LLP are the Legal Counsel. Epsilon Associates is the permitting consultants.

PUBLIC BENEFITS

Development of the Proposed Project will represent a substantial investment by the Proponent to revitalize the underutilized Project Area that will result in a broad range of significant public benefits, including the creation of new housing and affordable housing, the creation and support of community facilities, the development of new public space and enhancement of the public realm, the enhancement of the physical and visual access to North Station, the provision of street improvements in and around the Project Area and the enhancement of transportation services.

The Project will provide a wealth of benefits to its community, surrounding neighborhoods, and the city at large. Below is a list of community benefits that will be realized through the development of the Project.

- **Tax Revenues:** The Project is expected to generate significant new retail, office and hotel related real estate tax revenues for the City of Boston.
- **Housing and Jobs Contribution Grants:** The Project is estimated to contribute approximately \$13,733,150.00 in housing linkage funds and approximately \$2,739,650.00 in jobs linkage funds in the aggregate for all Phases in accordance with the provisions of Section 80B-7 of the Boston Zoning Code.
- **45,000 square foot supermarket:** The community has long expressed the desire for a full service supermarket. The Project was consciously designed to provide an appropriate space for such an amenity. The Proponent has reached a preliminary business agreement with a major supermarket operator.
- **Champions Row:** The Proponent has worked with the community and the City to create substantial new civic space within the Project. A major component of this space is Champions Row. This 60 foot wide, 80 foot high covered plaza provides a multitude of uses for the public. It serves as a place of gathering, passageway, and shopping. It adds a celebratory grand entrance to North Station and the TD Garden, two iconic assets of the City of Boston. Champions Row also provides additional public space that can be programmed for uses such as fresh produce markets, local art fairs, and similar events.
- **New, improved, and expanded sidewalks along Causeway Street:** The Proponent has dedicated more private land to create a larger sidewalk along Causeway Street. This design element provides additional public realm and allows for the coexistence of many uses along the street to create a lively and safe atmosphere. The additional area will allow for potential outdoor restaurant/café seating, plantings, and street furniture while still providing ample pedestrian passageways.

- **Improvements to the West Walkway:** The Proponent is committed to improving the areas around the site in addition to the development itself. The same detail and care given to redesign the Causeway Street frontage will be given to surrounding pedestrian areas as well.
- **Connection from North Station to Portal Park:** With the addition of the new parking ramp, the Proponent will provide better, safer pedestrian flow from the eastern exit of North Station. A pedestrian walkway will be provided to allow pedestrians to cross over vehicles entering the garage and get safely over to Portal Park where they can continue to the North End, Lovejoy Wharf, or other locations east of the site.
- **Community Space within the Development:** The Proponent has committed to providing space primarily for use by the West End Community Center and other organizations. This community space may be similar to that which is provided by Boston Properties at Atlantic Wharf.
- **Weather Protected MBTA Connection:** The Project will include a pedestrian pathway allowing people to move from the Massachusetts Bay Transit Authority (MBTA) Orange and Green Line platforms into the TD Garden and North Station under shelter from the elements.
- **Job Creation:** The Project is estimated to create approximately 2,000 construction jobs and 5,000 permanent jobs in the City of Boston. These jobs will provide livelihoods for residents and will contribute substantial tax revenue to the City.
- **Affordable Housing:** The Proponent has committed to provide affordable housing consistent with the Mayor's executive order that 15% of market rate units be affordable. The Proponent will provide such units either on or off site. If provided off site, the Proponent will either provide units within the West End, North End, and adjacent neighborhoods or request to the City that in lieu of payments be used to build affordable units in those neighborhoods.
- **Retail and other Amenities:** The Project will provide substantial and needed retail and entertainment amenities to the area. A cinema, restaurants, and a fitness center are among the uses being sought out. Additionally, components such as the hotel will have amenity space open to the public which will potentially include a roof space atop the podium.
- **Commitment to Undertake Pedestrian Study:** The proponent has committed to undertake a pedestrian circulation study for the West End including but not limited to Thoreau Path.

- **Continued Support for the Bulfinch Triangle Street Improvement Plan:** The Proponent has committed to continue its support for the Bulfinch Triangle Street Improvement Plan and its expansion to other streets in the West End.
- **Financial Support for West End Community Groups:** The Proponent is committed to providing support for the following community groups:
 - **West End Community Center:** \$25,000 at Certificate of Occupancy for the first phase and \$5,000 per year for five years
 - **West End Museum:** \$25,000 at Certificate of Occupancy for the first phase and \$5,000 per year for five years
 - **Friends of Thoreau Path:** \$25,000 at Certificate of Occupancy for the first phase and \$5,000 per year for five years
 - **Community Works Services:** \$25,000 at Certificate of Occupancy for the first phase and \$5,000 per year for five years

ZONING

The Boston Garden Project fulfills City planning for the area, the intent of the North Station Urban Renewal Area, and the objectives of the North Station Economic Development Area. The proponents are seeking approvals for massing, heights, and other features of the Project pursuant to Chapter 652 of the Acts of 1960, as amended (“Chapter 652”), and Chapter 121A of the Massachusetts General Laws, as amended) (together with Chapter 652, “Chapter 121A”).

AFFORDABLE HOUSING

The Inclusionary Development Policy, effective September 27, 2007, is applicable to the Proposed Project. Except to the extent the Director authorizes off-site affordable housing pursuant to design review and the Inclusionary Development Policy, the affordable units will be located on-site. On-site inclusionary housing will be dispersed throughout the Residential Tower Project Component of the Proposed Project and will have finishes and attributes as approved by the Authority.

Preference for the affordable units will be given to applicants who meet the following criteria, weighted in the order below:

- (1) Boston resident;
- (2) Household Size (a minimum of (1) person per bedroom); and
- (3) First-time homebuyers (if applicable).

The Proponents will enter into an affordable housing agreement with the Authority for the affordable units. The Proponent has agreed to submit a Marketing Plan (the “Plan”) to the Boston Fair Housing Commission and the Authority for the affordable units, which shall be approved prior to the execution of the affordable housing agreement. The affordable units will not be marketed prior to the submission and approval of the Plan. A deed restriction will be placed on the affordable units to maintain affordability for a period of fifty (50) years (thirty years plus an Authority twenty-year extension option). Any subsequent purchaser of an affordable unit during this fifty (50) year period must comply with the Inclusionary Development Policy.

DEVELOPMENT IMPACT PROJECT (“DIP”) EXACTIONS

The Proposed Project constitutes a Development Impact Project (“DIP”) under Article 80B-7 of the Code. The estimated linkage payments are calculated as follows:

PHASE ONE - PODIUM BUILDING AND GARDEN IMPROVEMENTS

Housing Linkage:

DIP Uses	417,000 square feet
Exclusion	<u>-100,000</u>
	317,000
	x <u>\$7.87</u> /square feet
	\$2,494,790

Jobs Linkage:

DIP Uses	417,000 square feet
Exclusion	<u>-100,000</u>
	317,000
	x <u>\$1.57</u> /square feet
	\$ 497,690

PHASE TWO - HOTEL TOWER

Housing Linkage:

DIP Uses	200,000 square feet
	x <u>\$7.87</u> /square feet
	\$1,574,000

Jobs Linkage:

DIP Uses	200,000 square feet
	x <u>\$1.57</u> /square feet
	\$ 314,000

PHASE THREE - RESIDENTIAL TOWER

Housing Linkage:

DIP Uses	560,000 square feet
	x <u>\$7.87</u> /square feet
	\$4,407,200

Jobs Linkage:

DIP Uses	560,000 square feet
	x <u>\$1.57</u> /square feet
	\$ 879,200

PHASE FOUR - OFFICE TOWER

Housing Linkage:

DIP Uses	668,000 square feet
	x <u>\$7.87</u> /square feet
	\$5,257,160

Jobs Linkage:

DIP Uses	668,000 square feet
	x <u>\$1.57</u> /square feet
	\$1,048,760

The total linkage payments are thus estimated to be approximately \$16,472,800.00.

REQUEST BY DEVELOPER

The Proponent is proposing the significant redevelopment of the Project Area, including the creation of public amenities that will improve access and accommodations to the Project Area, and the creation of significant public space, each contributing extraordinary costs to the redevelopment. In addition, a number of factors, such as the need to protect the abutting buildings and MBTA Green and Orange Line tunnels during construction, the encumbrances of the MBTA easements on the Project Area, the subsurface conditions and high water table, all combine to make redevelopment of the Project Area unduly costly. In order to effectuate the redevelopment, and create jobs both during the construction period and in the longer term, the Proponent is requesting that the Authority adopt a Report and Decision approving the project pursuant to Chapter 121A.

RECOMMENDATION

The Authority staff have been working with the City and have reviewed the Expanded Project Notification Form, and the request by the Proponent and recommend that the Authority take the following actions related to The Boston Garden Project (the "Proposed Project") located at 80 Causeway Street in the North Station Economic Development Area (the "Project Area"): (1) authorize the Director to issue a Scoping Determination waiving the requirement of further review pursuant to Article 80B, Section 80B-5.3(d) of the Boston Zoning Code (the "Code"); (2) authorize the Director to issue a Certification of Compliance in accordance with the provisions of Article 80B-6 of the Code; (3) approve the Minor Amendment of the North Station Urban Renewal Plan attached as Exhibit B; and (4) authorize the Director to enter into and execute a Development Impact Project Agreement, a Cooperation Agreement, a Boston Residents Construction Employment Plan, an Affordable Housing Agreement and any and all other agreements and documents required under Article 80 of the Code that the Director deems appropriate and necessary. In accordance with Section 80B-5.3(d) of the Code, the Authority may issue a Scoping Determination waiving further review if the Expanded Project Notification Form, together with any additional materials and comments received by the Authority prior to the issuance of the Scoping Determination, adequately describes the impacts of the Proposed Project. In such case, the Scoping Determination also shall include any conditions the Authority may require for the mitigation of such impacts.

The Scoping Determination waiving further review shall not become final until nineteen (19) days after the date on which the Boston Redevelopment Authority issues such Scoping Determination. Such Scoping Determination shall invite public comments concerning any conditions the Authority may require for the mitigation of the Proposed Project's impacts. Any public comments submitted shall be submitted in writing to the Boston Redevelopment Authority within fourteen (14) days after the date on which the Scoping Determination was issued and shall be based on significant new information not submitted during the public comment period or scoping session required by paragraphs (b) and (c) of Section 80B-5.3 of the Code.

The Boston Redevelopment Authority shall consider any comments received in accordance with this paragraph and may modify the Scoping Determination to add, delete, or modify the conditions set forth therein, provided that any such changes shall be made no later than the date on which the Scoping Determination becomes final.

The Authority staff believes that the Expanded Project Notification Form together with the additional materials and comments required by the Authority meet the criteria for the issuance of a Scoping Determination waiving further review. It is therefore recommended that the Authority approve the Proposed Project and authorize the Director to: (1) issue a Scoping Determination waiving the requirement of further

review pursuant to Article 80B-5.3(d) of the Code; (2) issue a Certification of Compliance in accordance with the provisions of Section 80B-6 of the Code; and (3) execute and deliver Development Impact Agreement(s), an Affordable Housing Agreement, a Cooperation Agreement and a Boston Residents Construction Employment Plan and any other agreements and documents required under Article 80 of the Code that the Director deems appropriate and necessary.

The Authority staff further recommends that a Minor Amendment of the North Station Urban Renewal Plan should be adopted under these circumstances to reflect the current City planning for the Project Site, and to facilitate potential takings of air rights and subsurface easements as may be necessary or appropriate to support the Project and its phases following completion of design review by the Authority.

Appropriate votes follow:

VOTED: That the foregoing Memorandum, including without limitation all terms defined therein, and all findings set forth therein, is hereby incorporated herein by this reference and made a finding of the Boston Redevelopment Authority (the "Authority"); and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue a Scoping Determination waiving further review under Section 80B-5.3(d) of the Boston Zoning Code (the "Code"), which finds that the Expanded Project Notification Form submitted by the Proponent adequately described the impacts of the Boston Garden Project in the North Station Economic Development Area (the "Proposed Project") located at 80 Causeway Street (the "Project Area") and waives further review of the Proposed Project, subject to continuing design review by the Authority; and

FURTHER

VOTED: That the Authority approve the Proposed Project as a Development Impact Project pursuant to Section 80B-7 of the Code; and

FURTHER

VOTED: That the application last revised December 6, 2013, for approval under Chapter 121A last presented at the December 19, 2013 meeting of the Authority, be, and hereby is, approved pursuant to Chapter 121A, for the Proposed Project and the Report and Decision attached as Exhibit A is hereby approved and adopted; and

FURTHER

VOTED: That the Minor Amendment to the North Station Urban Renewal Area attached as Exhibit B is hereby approved and adopted; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute any and all related instruments, agreements and documents which the Director, in his sole discretion deems appropriate and necessary, and upon terms and conditions determined to be in the best interest of the Authority, in connection with the Report and Decision and Minor Amendment, including without limitation, the 6A Contracts, Regulatory Agreements and Agreements Not to Transfer Interests as applicable for each Phase of the Project; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to enter into and execute all related instruments, agreements and documents required under Article 80 of the Code which the Director, in his sole discretion deems appropriate and necessary, and upon terms and conditions determined to be in the best interest of the Authority, including without limitation, a Development Impact Project Agreement, Cooperation Agreement, a Boston Residents Construction Employment Plan, Affordable Housing Agreement, Memorandum of Understanding and First Source Agreement; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to issue a Certification of Compliance in accordance with the provisions of Section 80B-6 of the Code.

EXHIBIT A

Report and Decision

EXHIBIT B

Minor Amendment to the North Station Urban Renewal Area