

## MEMORANDUM

JULY 16, 2013

**TO:** BOSTON REDEVELOPMENT AUTHORITY AND  
PETER MEADE, DIRECTOR

**FROM:** HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT  
REVIEW  
DANA WHITESIDE, DEPUTY DIRECTOR FOR COMMUNITY  
ECONOMIC DEVELOPMENT  
JOHN FITZGERALD, SENIOR PROJECT MANAGER  
HUGUES MONESTIME, SENIOR PLANNER

**SUBJECT:** PARCEL 10 OF THE SOUTHWEST CORRIDOR DEVELOPMENT PLAN  
IN ROXBURY AND 2101 WASHINGTON STREET, ROXBURY

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**SUMMARY:** This Memorandum requests that the Boston Redevelopment Authority (“BRA”): (i) adopt a Demonstration Project Plan; (ii) adopt a confirmatory Order of Taking of the BRA’s portion of Parcel 10 of the Southwest Corridor Development Plan; (iii) revise the Tentative Designation of Madison Tropical, LLC as the Redeveloper of a portion of Parcel 10 of the Southwest Corridor Development Plan known as Parcel B; (iv) adopt the Final Designation Resolution of Madison Tropical Market LLC as Redeveloper of a portion of Parcel 10 known as Parcel A; (v) authorize the Director to execute a license agreement for a portion of Parcel 10 that may become a portion of Melnea Cass Boulevard by a widening and relocation; (vi) authorize the Director to execute a Lease with the Commonwealth of Massachusetts Department or any subdivision thereof (the “Commonwealth”) leasing the Commonwealth’s portions of Parcel 10 of the Southwest Corridor Development Plan to the BRA; (vii) authorize the Director to execute any and all other agreements and documents the Director deems necessary and appropriate in connection with the development of the Tropical Foods Building on Parcel A.

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### LOCATION AND SITE DESCRIPTION

Parcel 10 is bordered by Melnea Cass Boulevard to the north, Washington Street to the east, Williams Street to the south and Shawmut Avenue to the west. Parcel 10 is located near Dudley Square, Roxbury’s commercial and historical center, as well as the Lower Roxbury neighborhood on the northern side of Melnea Cass Boulevard. Parcel 10 is located across from the Melnea Cass Boulevard stop on the Massachusetts Bay Transit

Authority (“MBTA”) Silver Line and the proposed Washington Street stop of the Urban Ring as well as a quarter mile from the MBTA’s Dudley Square Bus Station.

Parcel 10 is approximately 90,270 square feet ( $\pm$  2.1 acre) in area and consists of twelve smaller parcels, seven of which are owned by the Boston Redevelopment Authority (“BRA”) and consist of 58,335 square feet, and six of which are owned by the Commonwealth of Massachusetts or any subdivision thereof (the “Commonwealth”) and consist of approximately 31,725 square feet. Parcel 10 is located on the southwest corner of the Washington Street and Melnea Cass Boulevard intersection and shares the block with residential buildings and an existing commercial/retail user.

The 2101 Washington Street parcel is comprised of four assessor parcels owned by Fay’s Sons, LLC.

### **DEVELOPMENT TEAM**

The Development Team includes Madison Park Development Corporation as Master Developer, Tropical Foods International as Development Partner, Domenech Hicks Krockmalnic (“DHK”) Architects as Master Planner/ Architect and Plan B Retail Design, CWC Builders as Construction Engineering/Cost Estimator, Howard Stein Hudson as Traffic Engineer, Geotechnical Partnership, Inc. as Geotechnical Engineer, Klein Hornig as Counsel for the Development Team, STV Incorporated as Civil Engineer.

Madison Park Development Corporation (“MPDC”) has been an active participant in the physical and economic enhancement of the Lower Roxbury district over the past several decades, specializing in the creation of high quality mixed-income housing in both rental and homeownership opportunities comprising approximately over 1,200 units. Similarly MPDC has built a proven record in community development through its leading role in the creation or rehabilitation of approximately over 76,000 square feet of commercial space in buildings that have attracted new business and created over 250 job opportunities.

### **OVERALL DEVELOPMENT PROJECT FOR PARCEL 10**

The Redeveloper has proposed to combine Parcel 10 with the 2101 Washington Street parcel (“Tropical Foods Properties”) for the construction of two new buildings and the rehabilitation of the building located at 2101 Washington Street to include a newly constructed grocery store, ground floor commercial/retail space, office uses and mixed-income residential units (rental). This phased project is to be constructed based on the following proposed sequence:

#### Phase One: Grocery Store Component (Tropical Foods Component)

One building ("Building A") within the proposed three-building project will house the new Tropical Foods Supermarket as part of the first phase of development allowing the current store located at 2101 Washington Street to continue operations until the new construction and facility are complete. The new facility will provide expanded design for the grocery store as well as additional parking and improved access to the site itself and the store. In addition the new facility will allow for enhanced partnerships between Tropical Foods and area businesses to provide increased food and produce offerings to its customer base.

#### Phase Two: Office/Retail Component (Washington Street at Melnea Cass) (Madison Park Component)

A second building ("Building B") will create a five-story mixed-use facility at the corner of Washington Street and Melnea Cass Boulevard which will house first floor retail space of approximately 14,600 square feet and additional floors of office/commercial space. This building will also provide below grade and surface parking for its users.

#### Phase Three: Mixed-Use and Residential Component (2101 Washington Street) (Madison Park Component)

A third building ("Building C") will create a four-story masonry building located at 2101 Washington Street which is the current home of Tropical Foods. Development will occur through rehabilitation of the existing building once its current user is relocated and fully operational. The renovated building will house multi-tenant ground floor retail/management space with upper floors converted to include approximately 30 units of rental housing with an elevator. This facility will also provide below grade and surface parking for its users.

### **AFFORDABLE HOUSING**

The Madison Park Development component of the project will include mixed-income housing opportunities. In response to considerations raised by the Project Review Committee of the Roxbury Strategic Master Plan Oversight Committee ("RSPMPOC") in its recommendation for tentative designation of the development team, Madison Park will create a mix of housing that includes at least 60% market rate units and not more than 40% units at affordability of 60% Area Median Income ("AMI") or higher. As a result the total number of affordable units for the Madison Park Development components will be 12 units.

### **ZONING**

The Project is located within the Dudley Square Economic Development Area, subdistrict of the Roxbury Neighborhood District governed by Article 50 of the Boston Zoning Code.

## **TENTATIVE DESIGNATION - MADISON-TROPICAL, LLC**

BRA and Commonwealth of Massachusetts Department of Transportation ("MassDOT") staff worked extensively with the Roxbury Strategic Master Plan Oversight Committee ("RSMPOC") and with the Roxbury community at large to develop the goals and guidelines for the development of Parcel 10.

Following the recommendation received from the Project Review Committee and RSMPOC, BRA and MassDOT staff worked with the team for proposed Redeveloper to review the proposed project for its feasibility and to provide clarity and instruction relative to the requirements for tentative designation and the expectations for significant progress as articulated by the RSMPOC.

On May 15, 2012, the Boston Redevelopment Authority granted tentative designation to Madison Tropical LLC as Redeveloper of Parcel 10. Further at its meeting of May 16, 2013, the Authority granted an extension of the tentative designation to Madison Tropical LLC through November 2013.

## **ARTICLE 80 REVIEW**

On March 4, 2013, Madison Park Development Corporation and Tropical Foods International (the "Developer") filed a Letter of Intent in accordance with the Boston Redevelopment Authority's ("BRA") policy regarding Provision of Mitigation by Development Projects in Boston and an Impact Advisory Group ("IAG") was formed by utilizing the currently existing Roxbury Project Review Committee.

The Developer filed an Expanded Project Notification Form ("Expanded PNF") for the Proposed Project on April 17, 2013 with the BRA and a Public Notice ran in the Boston Herald. This initiated a 30-day public comment period with a closing date of May 20, 2013. The Public Notice and Expanded PNF were sent to the City's agencies pursuant to Section 80A-2 of the Code.

Pursuant to Section 80B-5.3 of the Code, a Scoping Session was held on May 9, 2013 with the City's agencies at which the Proposed Project was reviewed and discussed. The IAG members were also invited to attend the Scoping Session. The BRA held a publicly advertised meeting, also on May 9, 2013, at Urban League in Roxbury.

Very few letters were received in regard to the Proposed Project, and those that were, echoed support for the development heard at the BRA-sponsored public meeting.

On June 16, 2013 at its regularly scheduled meeting the Boston Redevelopment Authority Board accepted a staff recommendation to (i) issue a Scoping Determination waiving further review pursuant to Section 80-5.3(d) of the Boston Zoning Code ("the

Code”) for Parcel 10 of the Southwest Corridor Development Plan in Roxbury and 2101 Washington Street, Roxbury; (ii) issue a Certificate of Compliance under Section 80B-6 of the Code upon successful completion of Article 80 Review process for the Proposed Project; and (iii) execute and deliver a Cooperation Agreement, an Affordable Housing Agreement and Restriction, and a Boston Residents construction Employment Plan and any and all documents deemed appropriate and necessary by the Director in connection with the Proposed Project.

### **PROJECT FINANCING - TROPICAL FOODS**

Phase One of the overall project – The Tropical Foods (“Tropical”) component – has a total development cost of approximately \$14.7 Million. Financing will come from various sources including a New Markets Tax Credits Equity of approximately \$3.6 Million for which Tropical Foods International has secured a commitment from Bank of America along with construction loan of approximately \$9.3 Million. In addition, the Phase One development has received a grant of approximately \$788,000 from the United States Federal Office of Community Services as part of its Healthy Food Initiative to support the creation of expanded markets offering healthy food alternatives. The scheduled closing on financing for Phase One is expected for August of 2013.

### **FINAL DESIGNATION AND OTHER RIGHTS**

In light of the firm commitments on financing and progress made with Phase One (Tropical Foods building expansion) and to facilitate the anticipated financial closing, BRA staff has determined that it is appropriate to finally designate Madison Tropical Market LLC as the redeveloper of a portion of Parcel 10 of the Southwest Corridor Development Plan shown as Parcel A on Attachment C hereto. Parcel A will be leased to Madison Tropical Market LLC by the execution of a Ground Lease. The Ground Lease shall allow (1) Madison Tropical Market LLC to sub-lease Parcel A to Tropical-Fay’s II, LLC, and (2) Tropical-Fay’s II, LLC to sub-sub-lease Parcel A to Tropical Foods International, Inc. The Ground Lease shall set forth a Ground Lease fee of \$2.50 per square foot and shall contain an escalator.

In order to prepare Parcel 10 for this development a Demonstration Project Plan must be adopted. An Order of Taking shall be adopted confirming the BRA’s ownership of a portion of Parcel 10 of the Southwest Corridor Development Plan.

As part of the division of the designation of Parcel 10, Madison Tropical, LLC’s tentative designation shall be revised by: (1) modifying the area of said tentative designation to include the land shown as Parcel B as shown on Attachment A hereto, and (2) extending the term of the tentative designation to November 16, 2015.

Due to the possible widening of Melnea Cass Boulevard, a portion of Parcel 10 that might eventually be included in Melnea Cass Boulevard shown on Attachment C hereto will be licensed to Madison Tropical Market LLC at the present time.

Lastly, since portions of Parcel 10 are owned by the Commonwealth, the BRA must enter into a Ground Lease with Commonwealth for the portions of Parcel 10 owned by the Commonwealth. Said Ground Lease shall allow the BRA to lease said portions to Madison Tropical Market LLC.

### **RECOMMENDATION**

It is, therefore, recommended that the Boston Redevelopment Authority: (i) adopt a Demonstration Project Plan; (ii) adopt a confirmatory Order of Taking of the BRA's portion of Parcel 10 of the Southwest Corridor Development Plan; (iii) revise the Tentative Designation of Madison Tropical, LLC as the Redeveloper of a portion of Parcel 10 of the Southwest Corridor Development Plan known as Parcel B; (iv) adopt the Final Designation Resolution of Madison Tropical Market LLC as Redeveloper of a portion of Parcel 10 known as Parcel A; (v) authorize the Director to execute a license agreement for a portion of Parcel 10 that may become a portion of Melnea Cass Boulevard by a widening and relocation; (vi) authorize the Director to execute a Lease with the Commonwealth leasing the Commonwealth's portions of Parcel 10 of the Southwest Corridor Development Plan to the BRA; and (vii) authorizing the Director to execute any and all other agreements and documents the Director deems necessary and appropriate in connection with the development of the Tropical Foods Building on Parcel A.

Appropriate votes follow:

**VOTED:** That the Boston Redevelopment Authority ("Authority") hereby finds and determines as follows:

- (a) In order to eliminate urban blight by the undertaking of the mixed use project on Parcel 10 of the Southwest Corridor Development Plan (the "Proposed Project"), it is in the public interest of both the Authority to assist the Proposed Project by adopting a confirmatory Order of Taking for the Authority's portion of Parcel 10 of the Southwest Corridor Development Area ("Taking Parcel");
- (b) That in accordance with the Massachusetts General Laws Chapter 30, Section 61, a finding and/or determination is hereby made that the Project will not result in significant damage to the environment and further, with the implementation of mitigation measures, that

all practicable and feasible means and measures will or have been taken to avoid or minimize potential damage to the environment;

- (c) That the undertaking of the Proposed Project requires the assistance of the Authority; and
- (d) Based on (a), (b) and (c) above, the Proposed Project constitutes a “Demonstration Project” under Massachusetts General Laws Chapter 121B, Section 46(f), as amended; and

**FURTHER**

**VOTED:** That the Authority hereby adopts the following “Demonstration Project Plan” in connection with the Proposed Project: the Authority shall confirm title to the Authority’s portion of Parcel 10 in the Southwest Corridor Development Plan, shall lease the portions of Parcel 10 in the Southwest Corridor Development Plan owned by the Commonwealth of Massachusetts or a subdivision thereof (“Commonwealth”) from the Commonwealth and shall lease portions of Parcel 10 in the Southwest Corridor Development Plan to the entities granted final designation by the Authority from time to time. The Director is hereby authorized on behalf of the Authority to execute such documents and agreements with the entities granted final designation from time to time as may be necessary to effectuate the foregoing Demonstration Project Plan pursuant to Massachusetts General Laws Chapter 121B, section 46(f), as amended, and the Authority’s role in the Proposed Project. The terms and conditions of all instruments and agreements shall be at the sole discretion of the Director; and

**FURTHER**

**VOTED:** That the following Resolution be, and hereby is, adopted in all respects: “BE IT RESOLVED, by the Boston Redevelopment Authority that an ORDER OF TAKING relating to PARCEL 10 in the Southwest Corridor Development Plan be executed and made a permanent part of these proceedings, a copy of which the Secretary shall cause to be recorded in the Office of the Registry of Deeds for the County of Suffolk;” and

**FURTHER**

**VOTED:** That the Boston Redevelopment Authority revise the Tentative Designation of Madison Tropical, LLC as the Redeveloper of Parcel 10 of the Southwest Corridor Development Plan in Roxbury by: (i) modifying the area of said designation to include the land set forth in Attachment A, and (ii) extending said Tentative Designation to November 16, 2015; and

**FURTHER**

**VOTED:** That the Boston Redevelopment Authority (the “Authority”) hereby adopts the resolution entitled “Resolution of the Boston Redevelopment Authority Re: Final Designation of Madison Tropical Market LLC, as the Redeveloper of a portion of Parcel 10 in the Southwest Corridor Development Plan”; and

**FURTHER**

**VOTED:** That the final designation of Madison Tropical Market LLC, as the Redeveloper of a portion of Parcel 10 in the Southwest Corridor Development Plan shall automatically be rescinded without prejudice and without further action by the BRA Board if the Ground Lease set forth in the final designation resolution is not executed within eighteen (18) months from the date of this designation; and

**FURTHER**

**VOTED:** That the Director be, and hereby is, authorized to execute a License Agreement with Madison Tropical Market LLC for the portion of Parcel 10 set forth in Attachment B for landscaping and parking in connection with the construction of the Tropical Foods building project, said License Agreement shall contain terms and conditions that the Director deems to be appropriate and in the best interest of the Authority; and

**FURTHER**

**VOTED:** That the Director be, and hereby is, authorized to enter into a Lease with the Commonwealth of Massachusetts or subdivision thereof (the “Commonwealth”) to obtain a leasehold interest to the portions of Parcel 10 owned by the Commonwealth, upon terms and conditions that the Director deems appropriate and in the best interest of the Authority; and

**FURTHER**

**VOTED:** That the Director be, and hereby is, authorized to execute any and all other documents that the Director deems necessary and appropriate in connection with the development of the Tropical Foods Building on the portion of Parcel 10 known as Parcel A, said documents to contain terms and conditions to be determined by the Director.