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

**SUBJECT**: PARCEL 10 OF THE SOUTHWEST CORRIDOR DEVELOPMENT PLAN

IN ROXBURY AND 2101 WASHINGTON STREET, ROXBURY

**SUMMARY:** This Memorandum requests that the Boston Redevelopment Authority

("BRA") authorize the Director to: (i) enter into a license agreement with the Redeveloper of Phase One of the Parcel 10 project for a portion of Parcel B to be used for construction staging; and (ii) enter into a a Construction, Operation, Reciprocal Easement and Restriction Agreement ("COREA") by and among the BRA, Commonwealth of Massachusetts Department of Transportation ("MassDOT"), Madison Tropical Market LLC (Phase One Redeveloper) and Madison Williams LLC (Phase Three

Redeveloper).

# **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 (± 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 a 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.

# **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 rental residential units (the "Proposed Project"). 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.

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

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.

<u>Phase Three: Mixed-Use and Residential Component (2101 Washington Street)</u> (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 mixed-income rental housing with an elevator. This facility will also provide surface parking for its users.

# **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.

## **REGULATORY REVIEW**

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 and to determine a proposed redeveloper for Parcel 10.

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

On March 4, 2013, Madison Park Development Corporation and Tropical Foods International (the "Developer") filed a Letter of Intent in accordance with 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 <u>Boston Herald</u>. 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 pertinent City of Boston ("the City") agencies pursuant to Section 80A-2 of the Boston Zoning Code ("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.

On June 16, 2013 at its regularly scheduled meeting the BRA Board accepted a staff recommendation to (i) issue a Scoping Determination waiving further review pursuant to Section 80-5.3(d) of the Code for Parcel 10 of the Southwest Corridor Development Plan in Roxbury and 2101 Washington Street, Roxbury; (ii) issue of 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.

At its July 16, 2013 meeting, the BRA Board (i) granted Final Designation to Madison Tropical Market LLC as Re-developer of the Parcel A portion of Parcel 10 by the adoption of a Final Designation Resolution; and (ii) revised the Tentative Designation of Madison Tropical, LLC by modifying the area of tentative designation to Parcel B and extending the Tentative Designation to November 16, 2015.

# **FINANCE CLOSING**

Phase One of the overall project – The Tropical Foods Component – has a total development cost of approximately \$14.7 Million. Financing will come from various sources including New Markets Tax Credits of approximately \$3.6 Million for which Tropical Foods International has secured a commitment from Bank of America along with a 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 the Fall of 2013.

## PREPARATION FOR CONSTRUCTION

To accommodate the proposed closing schedule and imminent start to construction for Phase One, staff from BRA and MassDOT have coordinated with the Redevelopers of Parcel 10 to ascertain the elements of site work, preparation and construction management that will need to be undertaken for the Proposed Project. Below is a list of items that are necessary for the Proposed Project to proceed to construction.

- 1. A license for a portion of the Parcel B of Parcel 10 to be determined by the Director as appropriate for Phase One construction staging for the construction of Phase One; and
- 2. A Construction, Operation, Reciprocal Easement and Restriction Agreement ("COREA") by and among the BRA, MassDOT, Madison Tropical Market LLC (Phase One Redeveloper) and Madison Williams LLC (Phase Three Redeveloper).

## **RECOMMENDATION**

It is, therefore, recommended that the Boston Redevelopment Authority: (i) enter into a license agreement with the Redeveloper of Phase One of Parcel 10 for a portion of Parcel B of Parcel 10 for construction staging in connection with Parcel A of Parcel 10; and (ii) enter into a Construction, Operation, Reciprocal Easement and Restriction Agreement ("COREA") by and among the BRA, MassDOT, Madison Tropical Market LLC (Phase One Redeveloper) and Madison Williams LLC (Phase Three Redeveloper).

# Appropriate votes follow:

#### VOTED:

That the Director be, and hereby, is authorized to enter into a license agreement with the Redeveloper of Phase One of Parcel 10 for a portion of Parcel B to be determined by the Director to be used for construction staging in connection with the construction of Phase One of the Parcel 10 project, upon terms and conditions which the Director deems appropriate and to be in the best interest of the Boston Redevelopment Authority (BRA); and

#### **FURTHER**

#### **VOTED:**

That the Director be, and hereby is, authorized to enter into a Construction, Operation, Reciprocal Easement and Restriction Agreement ("COREA") by and among the BRA, the Commonwealth of Massachusetts Department of Transportation, Madison Tropical Market LLC (Phase One Redeveloper) and Madison Williams LLC (Phase Three Redeveloper), upon terms and conditions which the Director deems appropriate and to be in the best interest of the BRA.