#### **MEMORANDUM**

TO: BOSTON REDEVELOPMENT AUTHORITY AND

PETER MEADE, DIRECTOR

FROM: HEATHER CAMPISANO, DEPUTY DIRECTOR FOR DEVELOPMENT

**REVIEW** 

CASEY HINES, PROJECT MANAGER

**SUBJECT:** INK BLOCK PROJECT, SOUTH END

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority authorize the Director to: (1) issue a Determination waiving further review approving the Notice of Project Change for the Ink Block Project (the "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 Proposed Project upon successful completion of the Article 80B Large Project Review Process; and (3) execute and deliver a First Amendment to the Cooperation Agreement, an Affordable Housing and an Amended and Restated Affordable Rental Housing Agreement, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the NPC.

#### LOCATION AND SITE DESCRIPTION

The project site is approximately 6.22 acres located at 300 Harrison Avenue in the South End neighborhood of Boston (the "Project Site"). The Project Site lies at the northern edge of the South End Neighborhood bordering both the Chinatown and Downtown neighborhoods. The Project Site is bounded by Herald Street to the north, Albany Street to the east, Traveler Street to the south, and Harrison Avenue to the west. The Massachusetts Turnpike, Interstate 90 (I-90), running east-west is located just north of Herald Street, and Interstate-93 (Route 3) runs north-south and is located just east of Albany Street. The property adjacent to the Project Site along Albany Street (located on the same block) consists of three buildings occupied by F.W. Webb Plumbing Supply (prior owner), I.O.T.A Independent Taxi, and the Transit Insurance Agency. The entire Project Site is located within a designated Economic Development Area of the South End Neighborhood District.

## PROJECT BACKGROUND

The Ink Block project was originally approved by the Boston Redevelopment Authority ("BRA") Board on May 15, 2012, pursuant to the Large Project Review procedures of Article 80B. Ink Block, as approved by the BRA, consists of four buildings that will create 471 new residential units. A total of 85,000 square feet of retail space will be constructed including a 50,000 square foot Whole Foods grocery store and multiple smaller scale ground floor local retail or restaurant uses. Ink Block was planned to be developed in two phases.

Demolition of the Boston Herald building at the site has been completed and construction is underway for Phase One of the project. Phase One is comprised of the 315 units currently under construction at 300 Harrison Avenue ("Building One"), 310-348 Harrison Avenue ("Building Two"), 350-354 Harrison Avenue ("Building Three"), along with the grocery store, other ground floor retail, and associated underground and surface parking.

Phase Two, as it was previously approved was to be a 156 residential unit building at 30-36 Traveler Street ("Building Four").

# **NOTICE OF PROJECT CHANGE**

On September 27, 2013, National Development filed a Notice of Project Change ("NPC") with the BRA. The NPC proposes to divide the previously approved 156 residential units in Building Four at 30-36 Traveler Street into two buildings: 83 condominium units in 4 Ink, to be known as "Sepia, the Condos at Ink Block" and in a future phase, 73 rental units in 5 Ink ("Proposed Project").

The 83 units in 4 Ink, a.k.a. Sepia will be sold as condominium units. This represents a change from the prior approvals which contemplated a rental project and included provision for 62 affordable rental units in the entire project based upon a total of 471 residential units. As such, the existing Affordable Rental Housing Agreement will require amendment and a new Affordable Housing Agreement will be required for 4 Ink and 5 Ink. When the project is completed, the number of affordable residential units shall be the same as previously approved: 62 total units.

Otherwise, the proposal to divide Building Four located at 30-36 Traveler Street into two separate buildings represents no change to the project's overall size, number of units, parking spaces or retail component. On September 3, 2013 the Boston Civic Design Commission ("BCDC") reviewed and approved the proposed design changes.

#### AFFORDABLE HOUSING

The Proposed Project is subject to the Inclusionary Development Policy, dated September 27, 2007 ("IDP"); which requires that one hundred percent (100%) of the onsite affordable rental units be made affordable to households earning less than or equal to seventy percent (70%) of AMI, one hundred percent (100%) of the on-site affordable homeownership units be made affordable to households earning less than or equal to eighty percent (80%) of AMI.

As previously approved, sixty-two (62) residential rental units based on four hundred and seventy-one (471) total residential rental units, were intended to be created as affordable housing (the "Affordable Units"). The NPC will require an amendment to the existing Affordable Rental Housing Agreement and a new Affordable Housing Agreement will be required for 4 Ink and 5 Ink.

The 62 affordable units will now be divided up as follows: Phase 1 will include 41 affordable rental units in 1 Ink, 2 Ink and 3 Ink; Phase 2: 4 Ink, Sepia Condominiums, will include 8 affordable homeownership units; and Phase 2: 5 Ink will include 13 affordable rental units.

The size, location and square footage of the Affordable Units have been proposed by the Developer and approved by the BRA. The Affordable Units will be dispersed throughout the Proposed Project and will have finishes and attributes as approved by the BRA.

Rental and sale prices will be adjusted according to HUD at the time of the initial rental and sale of the Affordable Units.

The Affordable Housing Agreement ("AHA") and the Amended and Restated Affordable Rental Housing Agreement must be executed along with, or prior to, the issuance of the Certification of Compliance for the Proposed Project. The Proponent must also submit an Affirmative Marketing Plan (the "Plan") for the Amended and Restated Affordable Rental Housing Agreement and AHA to the Boston Fair Housing Commission and the BRA, which shall be approved prior to the execution of the Affordable Rental Housing Agreement. Preference will be given to applicants who meet the following criteria, weighted in the order below:

- (1) Boston resident;
- (2) Household size (a minimum of one (1) person per bedroom); and
- (3) First-time homebuyer (condo units only).

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 total period of fifty (50) years (this includes thirty (30) years with a BRA option to extend for an additional period of twenty (20) years). The household income of any subsequent buyers of the Affordable Units during this fifty (50) year period must fall within the applicable income limit for each Affordable Unit.

### **PROJECT TEAM**

The development team for the Proposed Project includes National Development, as the owner/developer; Marc LaCasse, Esq. of LaCasse Law, LLC, as legal counsel; John Martin of Elkus/ Manfredi Architects, as the project architect; David Roache, Project Manager, P.E., LEED AP, and Vanasse Hangen Brustlin, Inc., as the civil engineering, transportation, and permitting advisor; Mary Hall, Principal of GZA GeoEnvironmental, Inc., as the geotechnical and environmental consultant; Daniel A. Campia, PE, Project Manager, and Robert G. A Andrews, Jr., LEED AP BD+C of AHA Engineers as the mechanical engineer and sustainability consultant; John S. Matuszewski, P.E., Principal, of McNamara/Salvia, Inc., as the structural engineer; (collectively, the "Development Team").

### RECOMMENDATION

BRA staff recommends that the Director be authorized to (1) issue a Determination waiving further review approving the Notice of Project Change for the Ink Block Project 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 Proposed Project upon successful completion of the Article 80B Large Project Review Process; and (3) execute and deliver a First Amendment to the Cooperation Agreement, an Affordable Housing Agreement and an Amended and Restated Affordable Rental Housing Agreement and Restriction, and any and all other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project.

## 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 Notice of Project Change submitted by National Development (the "Proponent") does not significantly increase the impacts arising from the Ink Block Project in the South End (the "Proposed Project") 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 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 and deliver a First Amendment to the Cooperation Agreement, an Affordable Housing Agreement and an Amendment and Restated Affordable Rental Housing Agreement and Restriction, 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.