

Christian Science Plaza Revitalization Project CAC Working Meeting #15

Monday, May 10, 2010
Location: Christian Science Publishing House Building

CAC Attendees:

Kelly Brilliant, Fenway Alliance

Mark Cataudella, Boston Symphony Orchestra (BSO)

Sybil CooperKing, Neighborhood Association of the Back Bay (NABB)

Ryan Higginson, Resident of the South End

Meg Mainzer-Cohen, Back Bay Association

Donald Margotta, Church Park Apartments

Joanne McKenna, Fenway Community Development Corporation (Fenway CDC)

Craig Nicholson, American Planning Association (APA) - Massachusetts Chapter

Bill Richardson, Fenway Civic Association (FCA)

Lee Steele, St. Botolph Neighborhood Association (SBNA)

Robert Wright, Symphony United Neighbors (SUN)

CAC Members Not in Attendance:

Tom Aucella, Belvedere Condo Association Vanessa Calderon-Rosado, Inquilinos Boricuas en Acción (IBA) Christian Coffin, Hilton Hotel Boston Back Bay

George Thrush, Boston Society of Architects (BSA)

Ex-Officio Attendees:

Massachusetts State Representative Byron Rushing

City of Boston Attendees:

David Carlson, BRA Randi Lathrop, BRA Inés Palmarin, BRA Lauren Shurtleff, BRA

Church Team Attendees:

Steve Benz, Sasaki Associates
Peter Brigham, Sasaki Associates
Barbara Burley, The First Church of Christ, Scientist
Harley Gates, The First Church of Christ, Scientist
Bob Herlinger, The First Church of Christ, Scientist
Debbi Lawrence, The First Church of Christ, Scientist
Mahmood Malihi, Leggat McCall Properties
Bob Ryan, ML Strategies
Kayle Williams, The First Church of Christ, Scientist

Members of the Public:

Matt Byrne, Boston Globe

Shirley Kressel, NABB Barbara Simons, SUN Lucille Taitt, Church Member Bill Whitney, Berklee College of Music Jackie Yessian, NABB

Meeting Summary

On Monday, May 10, 2010, the fifteenth working session of the Christian Science Plaza Revitalization Project Citizens Advisory Committee (CAC) was called to order at approximately 6:05 p.m. in the Christian Science Publishing House Building by Inés Palmarin, BRA Senior Planner.

Inés then turned the meeting over to Harley Gates, Senior Manager for Real Estate Capital & Business Operations, The First Church of Christ, Scientist, who provided the CAC with an overview of the economic rationale behind the proposed 950,000 square feet. The presentation followed the outline below:

Some of you have asked for more reasoning behind the proposed 950,000 square feet (SF) of new development. We see five contributing factors to go over with you tonight. I'll discuss these one by one.

1. DENSITY

In order to cover this point, we need to use the zoning term "FAR" – which stands for Floor Area Ratio. My colleagues encouraged me to say a few basic words about FAR because it is key to understanding this point, although I know many of you know the term. Floor Area Ratio is the amount of floor space built on a parcel divided by the area of the parcel. Here's an example:

• A 20,000 SF building on a 10,000 SF lot would be an FAR of 2. This could be a two-story building on the entire lot. Or a four-story bldg on half the lot. The FAR is still 2.

The permitted, or zoning, "as-o-right" FAR of our site is 2.2. The actual FAR we are using is 1.2. So by current zoning, we are only using just about half of the "as of right" amount. This calculates to 650,000 SF left in our "Zoning Bank" so to speak. The proposed 950,000 SF includes this 650,000 and results in an FAR of 2.7.

Looking at the FAR in our neighborhood:

- The Prudential Center is 6
- Across the street on Huntington is 8
- Across the street on Mass Ave is 5
- Other nearby areas, including neighborhoods of St. Botolph and St. Germain, are 2 to 4.

The economic reality is that the Plaza's existing 1.2 FAR is stunningly low! Even with the proposed 2.7 FAR, the Plaza is significantly lower than almost everything around us.

2. OPEN SPACE SIZE

We have by far more open space than any privately owned property in the City. About 2/3 of the 14.5 acres is truly open and has no buildings or parking lots. To our knowledge, no other privately owned space in the City comes close.

- The next largest we could find is 60 State Street.
- The Plaza has 13 times the open space per SF of building as 60 State Street.
- If the 950,000 SF were added to the Plaza, we'd have 6 times the open space of 60 State Street.

Even looking at the government-owned Federal Reserve Building at 600 Atlantic Avenue, the Plaza has 4.5 times the open space – or 2 times the open space with the proposed 950,000 SF.

The point is that we have the lowest density now and still will be the lowest with the proposed 950,000 SF. It shows that private owners don't provide significant open space because it is not economically feasible.

3. OPEN SPACE COST IN DOLLARS

The cost of our open space is high in total dollars, not only because of its size, but also its unique features.

Since 1906 the Church has provided some form of park or garden for the enjoyment of its members and neighbors. We have borne the full cost by ourselves. We estimate the cost over the last century to be in excess of \$60 million.

For the last 40 years the cost of operation has increased in part due to the water features -- the Reflecting Pool and Children's Fountain. Our annual operating costs have grown to \$2 million. This covers the costs you would expect, including:

- Maintenance and Repair
- Landscaping
- Security
- Utilities
- Snow plowing

Most would agree that the Church's stewardship has been successful, BUT this is a very large burden for the Church to continue to carry.

4. OPEN SPACE COST AS % OF BUILDING SF

Not only is the cost to run the Plaza large in terms of total dollars, it is also large in terms of the SF of development on the site. Converting to the "cost per square feet of building space" is a way to compare our cost to the norm and is an important concept because FAR – development that has offices, residences, hotels and retail – supports the open space. Our cost for maintaining the open space is around \$2.60 per SF of FAR on the CS Plaza. The average cost for open space in Boston is 25 cents – with a range from 0 to 50 cents. So our space is 10 times as expensive. If we add the proposed 950,000 SF, that cost/SF comes to \$1.30/SF, still significantly above the norm. To get to \$1/SF, we would need 1.2 million of new development. To get to 50 cents/SF, we would need more than 3 million SF. We do not seek 3 million or even 1.2 million SF of new development because we think that more than 950,000 SF would not be in keeping with the urban context or the architectural aspect of the site NOR would it preserve the open space that is one of the City's jewels. By limiting ourselves to 950,000 SF, we recognize that we will still have higher costs than the norm and will need to find a way to make it work.

As we have discussed, LARGE CAPITAL COSTS are involved with our plans -- probably in excess of \$30 to 40 million to:

- Rebuild the Reflecting Pool
- Add new paving
- Add more lawn and trees
- Provide new and better lighting
- Install the infrastructure of water conservation and groundwater management
- Seek ways to make the Plaza more useable and attractive year round (including ice skating in the area of the Children's Fountain if feasible.)

The proceeds from the 950,000 SF would be a source for:

- upfront capital costs over \$30-40 million, and
- underwriting the ongoing operating cost of the Plaza.

5. REAL ESTATE COSTS

The Church's real estate costs represent a disproportionate amount of its total spending.

• When we started this planning a few years ago, the Church was spending about 25% of its budget on real estate infrastructure. It's less now, but still in the 20% range.

This is TOO much for a cost-effective non-profit. When you donate, you want the highest percentage of your dollar going for the purpose of the non-profit, not infrastructure. We turned to a benchmark from the American Institute of Philanthropy. They say that cost-effective charities spend only 25% of their budget on administration and overhead. Our figure is 20% range on real estate alone. Instead we must use our real estate resource more effectively and head in the direction of having it be self-supporting. The proposed 950,000 SF sets us on this course while revitalizing the Plaza and maintaining the stewardship we have demonstrated for over a century.

SUMMARY

The current condition just illustrated shows a significant imbalance between the low density of the developed space and relatively high cost of the open space of the Plaza. The Church cannot and should not have to continue the status quo into the future. The proposed SF for new development wasn't determined strictly on financial factors.

It was also influenced and scaled back by ...

- ... our sensitivity to retaining open space,
- ... our respect for the Plaza historic design
- ... our desire to harmonize with our urban setting and surroundings

We are not asking the CAC and City for money to contribute to the funding of the Plaza or any private functions.

We are not asking for more FAR than would fit appropriately on the site or with our immediate surroundings.

We are asking for approval for a reasonable and we believe fair allocation of density, which will go most of the way to bring our site's value into balance with its expenditures.

AND in the process we will...

- Enhance the public's experience on the Plaza year round
- Improve sustainability elements
- Bring new vitality to the area
- Generate new jobs
- Contribute to the stock of affordable housing according to the regulations in place
- Increase tax revenues for the City.

Questions and comments in response to Harley's presentation from the CAC are summarized below:

- Kelly Brilliant, Fenway Alliance, commented that she appreciated the frankness behind the Church's presentation.
- Sybil CooperKing, Co-Chair and NABB, thanked Harley for the presentation, and asked how the Church determines what will be produced by the 950,000-SF of development. Harley responded that since this process started, real estate values have changed. The Church, like everyone else, hopes that they will rebound in the not-too-distant future. In the meantime, the Church's estimates are based on conservative figures that assume some market recovery, and also factor in the future as-of-right development of the Midtown Hotel site.
- Joanne McKenna, Fenway CDC, stated that the design is extremely costly. Harley responded that when the Plaza was originally built, it was more efficient, but since then has aged and

is in need of repair. The proposed changes to the Plaza will make it more efficient by today's standards.

- In response to a question from Craig Nicholson, APA Massachusetts Chapter, Harley replied that the development of the Plaza within as-of-right square feet and height limits would result in 650,000 square feet of new buildings that would be spread over most of the site and would eliminate most of the open space.
- Lee Steele, SBNA, asked how the Church will generate income from the proposed project. Harley responded that long-term leases would provide the revenue, although exactly how much is uncertain, as well as in what form (*e.g.*, annual payments or upfront payments).
- In response to a follow-up question from Lee Steele, Harley replied that the capital cost of the proposed new development will be carried by the developers, but it is expected that both the Church and the developers would contribute to the cost of open space improvements.
- In response to a question from Don Margotta, Church Park Apartments, David Carlson, BRA Senior Architect, replied that when the Prudential Center was built, Chapter 121A legislation was passed in order to encourage businesses to move back into and revitalize the City.
- In response to a question from Ryan Higginson, Resident of the South End, Harley responded that the market will ultimately determine the exact mix of residential to commercial to hotel in the proposed development, and it is too early to be specific. Bob Herlinger added that they are currently assuming that the Huntington Avenue site will be residential (150,000 square feet); the high-rise at the Dalton/Belvidere Streets site will be roughly 30% hotel and 70% residential (600,000 square feet); and the mid-rise building at the Dalton/Belvidere Streets site will likely be either hotel or residential (200,000 square feet).
- Robert Wright, SUN, asked if the initial capital cost will be carried by long-term bonds.
 Harley replied that the Church expects the capital cost of development to be covered by the developers through appropriate financing vehicles.
- Joanne McKenna asked for the BRA's perspective on the proposed development. Randi Lathrop, Deputy Director of Community Planning, stated that this location would benefit from more hotel space, as the Hynes Convention Center is very close. She added that the BRA is also very supportive of increased residential housing Citywide – and stressed that this would also include an affordable housing component, which the Back Bay neighborhood would benefit from.

Public Comment

• In response to a question from Shirley Kressel, NABB, regarding why a variance would be allowed for economic hardship, David Carlson responded that the Church's proposed development is not a Zoning Board of Appeal case.

Next, Bob Herlinger reviewed the Church's recent efforts towards increasing the sustainability of their operations and facilities. The Church recently attained Leadership in Energy and Environmental Design for Commercial Interiors (LEED-CI) certification for Floors 5 through 9 of the Publishing House Building. In addition, the Church has been working on water management and recycling strategies, as well as efforts to reduce their overall power consumption. Bob then introduced Steve Benz and Peter Brigham from Sasaki Associates, the Church's sustainability consultants for the project. Steve and Peter then gave a PowerPoint Presentation (available on the BRA's project website). At the end of the presentation, Bob Herlinger added that the Church

Team has also begun exploratory wind study work with Rowan Williams Davies and Irwin Inc. (RWDI), the Church's consultant specializing in wind engineering.

Questions and comments in response to Steve and Peter's presentation from the CAC are summarized below:

- Kelly Brilliant asked if there are any new innovative techniques for reducing wind. Peter responded that the building's shape at the ground plane is usually the most helpful in reducing wind impacts. The Church will continue to work with RWDI to ensure that the final design of the proposed buildings minimizes wind impacts at the pedestrian level.
- Ryan Higginson asked if the Church is looking into rainwater harvesting or green roofs. Steve replied that they are considering both of these concepts. Bob Herlinger added that the Church is currently taking steps regarding an energy audit. Steve also noted that currently the Church uses a highly efficient district energy system.
- In response to a question from Mark Cataudella, BSO, Steve indicated that the Church Team is looking into permeable pavers for the Plaza's hardscape, although their long-term durability is unclear. Additionally, the garage below the Plaza represents an added complication and may limit the use of permeable pavers in this area.
- Lee Steele noted that the existing concrete benches on the plaza are not very comfortable and asked if there are any alternatives. Peter replied that they are looking at attaching wood or other materials to the surface of the existing benches that they intend to keep in order to make them more pleasant. Barbara Burley, The First Church of Christ, Scientist, added that the existing long row of concrete benches on the Huntington Avenue side be removed as part of this process and better seating in that area is planned.
- Massachusetts State Representative Byron Rushing stated that he hopes to see the bus parking along Huntington Avenue resolved prior to the start of any construction.
- In response to questions from Craig Nicholson, Peter replied that the irrigation water currently used on the plaza is potable, as is the water in the Reflecting Pool. In the future, increased water recharge is the first priority. In addition, the Church will explore better methods to recapture water.
- In response to a question from Sybil CooperKing, Steve responded each of the proposed new buildings will each have separate groundwater recharge systems.

Barbara Burley then reviewed a draft version of the Revitalization Plan Document's Table of Contents (available at the end of this document). She stated that the Church is currently working on the draft document and is looking forward to distributing the document to the CAC and public for their review. Inés Palmarin stated that once the draft is complete, there will be a comment period and also a CAC meeting devoted to the Plan document. In order to reach members of the public, the Plan Document will be available on the project website, at the Church, and at the Boston Public Library's central branch in Copley Square. Advertisements notifying the public of the Document's availability will also be placed in the newspaper.

Questions and comments in response to the Church's review of the Table of Contents included:

• Lee Steele suggested that everyone on the CAC email comments on the draft Plan Document to the Co-Chairs and the BRA and create a matrix. Inés agreed that all comments should be sent to the BRA, so that they can be synthesized and distributed to the rest of the CAC. Additionally, the original comment letters will be shared with the group as well.

Questions from the public:

• In response to a question from Shirley Kressel, Randi Lathrop responded that any new buildings developed on the site by a private developer will be applicable to property taxes.

The meeting was then adjourned at 7:45 p.m.