

Invitation to Bid
Parcels 25/26/27a & Veolia Parcel
DRAFT - 30 June 2016

I. Introduction

II. Property Description

- a. Location
- b. Site description:
 - i. Parcel:
 - 1. Parcels 25/26 and Veolia are approximately 5.5 acres, including highway air rights
 - 2. Parcel 27A adds an additional approximately 3 acres
 - ii. Buildings and parking
 - 1. Veolia Steam plant & parking—to be demolished & replaced on-site
 - 2. City Pump Station—to be demolished
 - 3. 185 Kneeland St. & parking—building may be demolished at developer's option
 - iii. I-93 on Parcel 25 to be covered
 - iv. Metropolitan Highway System tunnels and recessed roadways
- c. Site context
- d. Neighborhood
- e. Abutting properties
- f. Site potential
- g. Traffic counts
- h. Zoning
- i. Easements/restrictions—incl. Parcel 27 access, I-93 tunnels, highway deck(s)
- j. Environmental (in Electronic Bid Room)

III. Development Process

- a. Other commitments/restrictions/approvals
 - i. Federal Highway Administration (FHWA) approval will be required for potential impacts to the Metropolitan Highway System and review that sale meets FHWA requirements.
 - ii. State will require Environmental Impact Review through MEPA process.
 - iii. City of Boston/BRA – will require Phase 2 South Bay Study, PDA submission and Art. 80 submission.
 - iv. Federal Aviation Administration and Massport review that building heights do not exceed their requirements (approximately 300').
 - v. Section 106 review will require that buildings do not exceed 125' in height within 50' of Kneeland St.

- b. Post-selection planning process.
 - i. Advisory Committee will be established by the BRA.
 - ii. Developer will prepare the Phase 2 South Bay study in conjunction with the BRA and review with the Advisory Committee.
 - iii. Study will be coordinated with PDA Master Development Plan Approval, Article 80 and MEPA processes.
- c. Planning objectives, use guidelines and requirements
 - i. Provide shell space for replacement plant per Veolia specifications, including stack.
 - ii. Provide service access to Veolia plant and Veolia replacement parking in close proximity
 - iii. Provide new hydrants to allow replacement of City pumping station.
 - iv. Retain on-site a functionally improved Reggie Wong Park. The State and/or City will continue to control the scheduling of the Park in consultation with the two adjoining communities and the Developer.
 - v. Provide passive open space integrated into the development and accessible to the community within the development.
 - vi. Retail and restaurant space should be located at ground floor along Kneeland Street and around such open space to help activate the public realm.
 - vii. Cover I-93 SB running through Parcel 25.
 - viii. Maintain and allow for future expansion of access easement to Parcel 27.
 - ix. Maintain or relocate underground utilities.
 - x. Develop a mixed-use, multi-phase development.
 - xi. Uses may include: residential, office, research, hotel, retail, community/cultural, parking and open space.
 - xii. The residential component must include affordable housing for a range of incomes. A minimum of 20% of all residential units must be income-restricted.
 - o Income restricted units shall be affordable to a range of households with annual incomes between 50%-120% AMI, in a minimum of three income tiers.
 - o The maximum average AMI of all income restricted units will be 90% of AMI.
 - o The City and State will work with developers to provide zoning relief and/or help identify public financial resources to support the development of income restricted housing beyond 13% of all residential units.
 - xiii. Provide a shell space, not to exceed 10,000 SF, within a building for a cultural/civic space. The location of this space on-site should be convenient to the Chinatown and Leather District neighborhoods.
 - xiv. Developer will encourage tenants, to the extent commercially reasonable, to provide employment opportunities and training for local residents.
 - xv. Uses should complement and connect to Chinatown, the Leather District and South Station.

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- d. Design Guidelines:
 - i. General Urban Design Principles
 - 1. A dense, mixed-use, multi-block redevelopment will facilitate walkable connections between Chinatown (west), the Leather District (north), and South Station (east).

2. The approximately 5-acre site should be broken into smaller parcels and streets to better relate to the adjacent neighborhoods.
 3. Orientation of building(s) to and from adjacent neighborhoods and within the site to one another is important.
- ii. Height
1. Do not exceed 125' in height within 50' of Kneeland Street.
 2. Do not exceed 300' in height per FAA guidelines.
 3. Greater height and density is most appropriate as one moves away from Kneeland Street to create a welcoming streetscape environment.
 4. Building massing must take into account sun and shadow. Some variation in height is desirable.
- iii. Gateway Design
1. Gateway design has multiple meanings: a dramatic, iconic formal expression marking the entry into the city from points south, but also design relating to the neighborhood context, facilitating a sense of arrival.
 2. Gateway design on the neighborhood side should be scaled relative to the existing buildings, but height at the back (south) side of the site is appropriate and encouraged (up to 300' per FAA regulations).
 3. Street level gateway design should enhance visibility and entry into the surrounding neighborhoods for pedestrians.
 4. Sensitivity to the adjacent neighborhood buildings, parks, and pedestrian desire lines are paramount design considerations.
- iv. Public Realm and Neighborhood Connectivity
1. Improve configuration of streets and block sizes to promote neighborhood connectivity, the development of community open space and civic amenities, preservation and enhancement of existing and/or new view corridors, streetscape design that reflects Boston's Complete Streets Guidelines, and active ground floor uses where appropriate.
 2. Kneeland Street is the primary streetscape design and retail opportunity linking the South Bay Kneeland Street parcels to the immediate context.
 3. Enhanced streetscapes (e.g. street trees and landscaping, street furniture, wider sidewalks, etc.) should be considered integral to the redevelopment and designed to mitigate the adverse noise and proximity impacts of transportation infrastructure and air quality issues.
- v. Open Space and Environmental
1. Retention on-site of a functionally improved Reggie Wong Park. The State and/or City will continue to control the scheduling of the Park in consultation with the two adjoining communities.
 2. Open space design must consider programming for the elderly and youth communities, including both recreation and passive uses that can co-exist
 3. Provide cover over I-93 on Parcel 25 in conjunction with the parcel's development, while considering alternative materials that may facilitate creative open space opportunities.
 4. Provide necessary environmental mitigation to improve air quality.
 5. Address indoor air quality of building through appropriate ventilation and filtration systems.

note: An addendum to the above Design Guidelines with further elaboration is available and posted on the project website.

IV. Sales Terms

- a. Obligations of Seller
 - i. MassDOT to vacate 185 Kneeland within a set timeframe.
 - ii. Veolia to install steam plant within shell constructed per Veolia specs (specs to be provided in the Bid Room) by developer within a set timeframe and thereafter decommission current plant.
- b. Obligations of Purchaser
 - i. Proponent in all permitting processes.
 - ii. Shell, stack and utility stubs for new Veolia plant.
 - iii. Perpetual easement/99 year lease for new Veolia plant and 10 parking spaces.
 - iv. Grant of necessary subterranean easements to install and maintain steam and utility lines.
 - v. Demolition of existing Veolia plant, 185 Kneeland (if desired), site cleanup on disposition parcel.
 - vi. Construction of deck over highway on Parcel 25, subject to MassDOT and FHWA review and approval.
 - vii. Retention on-site of a functionally improved Reggie Wong Park. The State and/or City will continue to control the scheduling of the Park in consultation with the two adjoining communities and the Developer.
 - viii. Maintenance of access to Parcel 27 (*Easement will be retained by MassDOT*).
 - ix. Compliance with Kneeland Street height limit per Sec. 106 MOA.
 - x. Inclusion of affordable housing of up to a minimum of 20% of all units as described in Section III.c.xii.
- c. Purchase & Sale and Deed Terms
- d. Conditions of Sale. Closing subject to:
 - i. MEPA certificate
 - ii. Article 80 and PDA Master Development Plan Approval
 - iii. FHWA approval (both related to the highway system and Fair Market Value considerations)
 - iv. MassHistoric Section 106 approval of height along Kneeland St.
 - v. Time limit for performance in obtaining required approvals above
 - vi. Compliance with the Obligations of Purchaser listed above

V. Submission Requirements

- a. Process and procedure: Date, time, location of submission, etc.
- b. There will be a two-step bid process: Bidders will submit one package with two envelopes:
 - i. Envelope One. Responsible Bidder Qualifications package: A Responsible Bidder shall be a developer that has the financial capacity and experience and skills to purchase, permit and develop the offered property within a finite period of time. The Responsible Bidder will have demonstrated a track record of financial capacity, experience and skill to successfully develop the site and must illustrate its ability to obtain key permits and close on the property within 30 months, complete construction of a first building within 60 months and complete the project in its entirety in a continuous development process. More specifically, the Bidder must meet the following criteria or otherwise demonstrate that they can provide the equivalent:
 - Financial capacity (including financial partners / investors)

- Net worth > \$50,000,000
 - Developed > 150,000 GSF/annum on average over the last 10 years
- Experience with the development, financing and construction of projects of similar scale within the last 10 years:
 - Commenced construction of at least one multi-building urban project or district of $\geq 500,000$ GSF
 - Development of at least one high-rise building $\geq 200'$ in height
- Experience in permitting complex large-scale projects in similar environments within the last 10 years
 - Successful securing of permits for at least two large-scale projects (> 500,000 GSF) requiring the equivalent of MEPA and PDA approvals
- Program and financial plan that is responsive to the Obligations of Purchaser above in Section IV.b.
- Record of performance on commitments
 - No bankruptcies, foreclosure/deeds in lieu by the bidder, its subsidiaries or owners within the last 5 years.
 - Track record for all projects for which a P&S or equivalent was executed over the last 10 years. Include references for the Seller and the Municipal permitting entity (equivalent to the BRA)
- Completion of other required Commonwealth disclosure forms that elicit information related to past criminal activity, etc.
- ii. Envelope Two. A Bid Form will be completed with a single lump sum offer to be paid at closing for Parcels 25, 26 and Veolia. If the bidder elects to offer on Parcel 27A, they will indicate on the bid form that they will pay the price specified by MassDOT, which will be equivalent to Fair Market Value. If in the determination of Seller, it is concluded that a bidder and its team does not have the financial capacity or experience to satisfactorily complete the defined permitting process and close on the property within 30 months of developer designation, MassDOT will deem them a “non-responsible bidder” and will not open their Bid Form envelope.

VI. Selection

- a. Review Bidder Qualifications package described in Section V, above. If bidder’s qualifications demonstrate the required financial capacity, project experience, and is responsive to the Obligations of Purchaser they will be deemed a Responsible Bidder.
- b. Only the Bid forms of Responsible Bidders will be opened and the project awarded to the highest responsible bidder, who will be the Designated Developer. The highest bid will be a combination of the bid for Parcels 25, 26 and Veolia, and the bid for Parcel 27A (if they have elected to also bid on that parcel).

VII. Reservations and Conditions

Appendices

Schedules