Notice of Project Change

PARCEL K Northern Avenue South Boston, Massachusetts



Submitted to: The Boston Planning & Development Agency

Submitted by: Parcel K LLC, PPC Land Ventures, Inc., and Lincoln Property Company

Prepared by: **Epsilon Associates, Inc.**

September 29, 2016





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Brian P. Golden, Director Boston Planning & Development Agency One City Hall Square, 9th Floor Boston, MA 02201-1007

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Subject: Notice of Project Change Parcel K, Northern Avenue, South Boston

Dear Director Golden:

As you aware, Parcel K LLC, the original applicant for the proposed development project on the Massachusetts Port Authority's ("Massport") "Parcel K" of the Commonwealth Flats Development Area ("CFDA"), located at the corner of Northern Avenue and Congress Street in the South Boston Innovation District (the "Project"), has entered into an agreement to assign the Development Agreement for the Project to PPC Land Ventures, Inc., and Lincoln Property Company. As a result of the assignment, Parcel K LLC, PPC Land Ventures, Inc., and Lincoln Property Company (together, the "Proponent") are submitting this Notice of Project Change ("NPC") in accordance with Article 80A-6 of the Boston Zoning Code (the "Code"). As now proposed, the Project envisions a mixed-use development anchored by 304 apartment residences, a 293-room boutique hotel, approximately 14,400 square feet of office space, a mix of restaurants and retail shops, and a single level underground parking garage, initially developed with 197 striped parking spaces, but with the potential for increased capacity to approximately 420 spaces.

The Proponent voluntarily underwent review pursuant to Article 80B of the Code. On December 16, 2013, the Proponent submitted an Expanded Project Notification Form (the "2013 EPNF") to the Boston Planning & Development Agency (the "BPDA") (formerly the Boston Redevelopment Authority) requesting approval for the Project. On May 15, 2014, the BPDA authorized the Director of the BPDA to issue a Scoping Determination waiving the requirement of further review of the Project as described pursuant to Article 80, Section 80B-5.3(d) of the Code.

Figures showing the location of Parcel K and the currently proposed Project floor plans are included in Attachment A. Figures from 2013 EPNF showing the previously proposed floor layouts are presented in Attachment B. As shown, and as discussed herein, the exterior building envelope, heights, footprints, and massing of the Project buildings will remain essentially unchanged.

Summary of Project Changes

As presented in the 2013 EPNF, the Project was a mixed-use development with a 304-unit residential apartment building, a hotel building with 247 guest rooms, a three-level underground parking garage with 640 striped spaces, public open spaces connecting the two buildings at the ground and terrace levels, and a mix of restaurant, retail and office spaces.

As described further below, changes to the Project are limited to: (1) an increase in the number of hotel rooms (from 247 to 293); (2) a decrease in the number of underground parking levels (from three to one) and parking spaces as described herein; (3) certain design changes within the previously approved building envelopes as described herein; and (4) possible revisions to the affordable housing program for the Project to ensure the Project's financial feasibility.

Hotel Room Change. The number of hotel rooms will be increased by 46 within the previously approved building envelope to a total of 293 guest rooms. The Proponent, working with the proposed hotel operator, determined that a modest increase in the room count is a desirable alteration to the Project. The increase in room count has been accommodated within the previously approved building envelope by using smaller guest room dimensions and through the repurposing of interior spaces.

Parking Change. The underground garage has been redesigned to reduce the parking from 640 striped parking spaces on three levels, to a maximum of 420 parking spaces on one level. An initial 197 striped parking spaces will be provided on the single parking level, with the Proponent having the ability, at its sole election, to increase the capacity of the garage to a maximum of 420 parking spaces through the installation of mechanical car-stacking machinery and/or through managed valet operations upon the Proponent's determination that an increase is necessary to accommodate the needs of the Project or the CFDA. The Project's Traffic Engineer has evaluated the current and proposed parking, and determined that the reduced parking is sufficient for the Project.

Additional parking for the CFDA is being created through Massport's South Boston Waterfront Transportation Center.

Design Change. When the 2013 EPNF was submitted, both buildings were designed with eleven occupiable floors, with the twelfth floor of each devoted primarily to a mechanical penthouse, housing the cooling towers, mechanical and electrical equipment, generators and energy recovery units. At the hotel, this twelfth floor

had a small amenity space for the hotel, labeled as a "Hotel Sky Bar", while the twelfth floor of the residential was not counted as an occupiable floor. The office component included approximately 14,400 square feet of office space located between the hotel and residential uses on the ground level of the Project. Retail spaces included approximately 17,900 square feet of retail and restaurant located at the street and terrace levels.

As a result of the modifications to the Project, the interior layout of both buildings has evolved to make the twelfth floor of both buildings occupiable. At the hotel, the area devoted to amenity spaces has been increased to add a small fitness room and pool, with the area devoted to mechanical equipment reduced. At the residential building, the mechanical penthouse on the twelfth floor has been reduced and shifted away from Northern Avenue, allowing an amenity space with a pool, clubroom, and outdoor roof deck overlooking the corner of Congress Street and Northern Avenue. These modifications do not alter the overall building massing as previously approved.

Affordable Housing. The Proponent also seeks modifications to the on-site affordable housing¹ to be provided as required in order to insure the Project's financial feasibility while in compliance with the Mayor's Inclusionary Development Policy.

Adjustments to the Project Schedule

The schedule for the Project as presented in the 2013 EPNF was for the completion of permitting in the third quarter of 2014, with construction following shortly thereafter. Construction was anticipated to be completed within eighteen to twenty-four months. However, due to complications in identifying an appropriate hotel operator and the financial feasibility of the Project as described in the 2013 EPNF, permitting and development has been delayed.

Given the above, the current schedule for the commencement of construction is March of 2017, with an estimated completion date of July 2019.

¹ Forty of the residential units proposed for the Project were to be affordable pursuant the 2007 City of Boston's Inclusionary Development Plan (the "2007 IDP").

Impact of Proposed Changes

Pursuant to Section 80A-6.2 (a-g), the Project as now proposed will not increase the potential impacts considered in the 2013 EPNF. As noted above, the gross square footage will increase by approximately 19,397 square feet, from 479,678 to 499,500 square feet, but the heights, footprints, massing and envelopes of the Project buildings will remain unchanged.

The modified Project is expected to result in a small increase in the number of daily trips from the previously proposed project. Overall, the Project will generate only 34/12 new (unadjusted/adjusted) vehicle trips during the morning peak hour, and 58/23 new (unadjusted/adjusted) vehicle trips during the evening peak hour. The adjusted traffic associated with the Project corresponds to approximately only one new vehicle trip every three to five minutes during the morning and evening peak hours, respectively, which is a negligible increase on area roadways. An updated traffic summary for the Project is presented in Attachment C, *Traffic/Transportation Analysis.* The Project, located near public transit, will provide transportation mitigation including bicycle storage, support for ridesharing and electric vehicle charging stations.

Moreover, the Project will continue to provide a number of substantial benefits to the City, including new tax revenue, new construction, new residences, a community-directed monetary contribution to the City of \$200,000, and an increase in the Development Impact Project jobs and housing payments.

Summary

As a result of the changes proposed, the Project, now consists of approximately 499,500 square feet, including the 12-floor hotel building, the 12-floor, 304 unit residential building, a one-level parking garage, 14,400 square feet of office space and approximately 17,928 square feet of retail and restaurant located at the street and terrace levels. The foregoing information is intended to inform the BPDA of the modifications to the Project. The Proponent believes that, after consideration of these changes, the Director may properly determine that further review by the BPDA under Article 80 of the Code will not be necessary. Accordingly, the Proponent respectfully requests that the Director determine that no further impacts requiring new review are present for the Project and issue a determination pursuant to Section 80A-6.2 of the Boston Zoning Code which finds that this Notice of Project Change (i) adequately described the potential impacts arising from the Revised Project and (ii) provides sufficient mitigation measures to minimize these impacts, and which waives further review of the Revised Project.

Mr. Brian P. Golden, Director Parcel K Project, Northern Avenue September 29, 2016

Please do not hesitate to contact me if any additional information is required.

Very truly yours,

EPSILON ASSOCIATES, INC.

Andrew D. Magee Principal

cc: John M. Cappellano, Lincoln Property Company Jason Runnels, PPC Land Ventures, Inc. Louis A. Cabral, Parcel K LLC Matthew Snell, Nutter McClennen & Fish LLP Gary Uter, BPDA

Attachments:

Attachment A: Figures Including Revised Floor Layouts Attachment B: Figures – Previously Proposed Floor Layouts Attachment C: Transportation Analysis

Attachment A

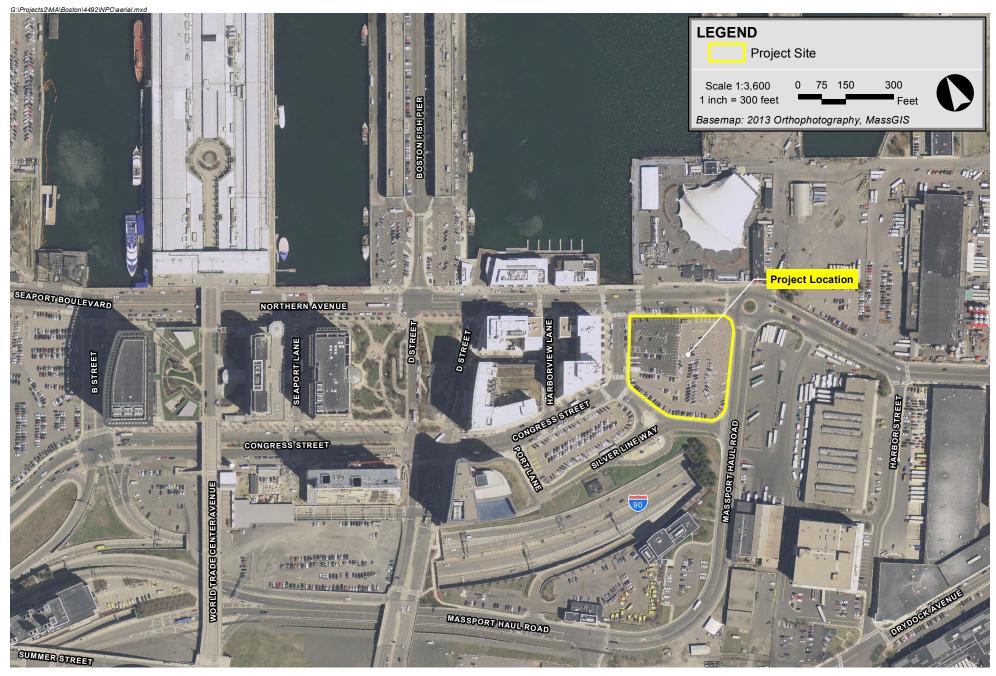
Figures Including Revised Floor Layouts

Figure 1 – Project Site Locus – USGS Map
Figure 2 – Project Site Locus – Vertical Aerial Photograph
Figure 3 – Northern Avenue Perspective
Figure 4 – Ground Level Plan
Figure 5 – Courtyard Terrace Level Plan
Figure 6 – Level 4 through 10, Typical Plan
Figure 7 – Level 11
Figure 8 – Level 12



Parcel K Boston, Massachusetts









Source: Arrowstreet



























Attachment B

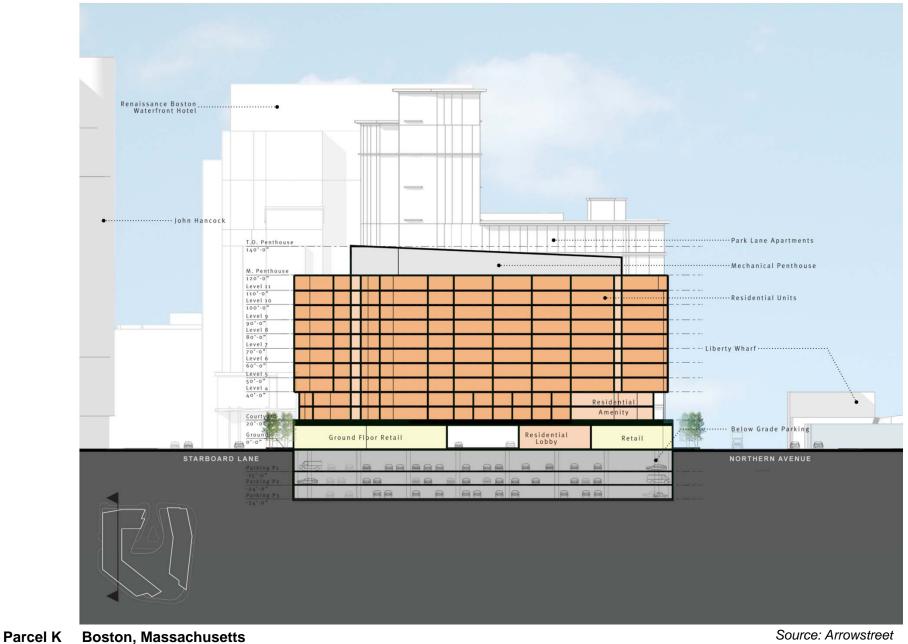
Figures – Previously Proposed Floor Layouts

Figure 1.3-5 – *Northern Avenue Perspective* Figure 1.3-8 – *Ground Level Plan* Figure 1.3-9 – *Courtyard Terrace Level Plan* Figure 1.3-10 – *Level 4 through 10, Typical Plan* Figure 1.3-11 – *Level 11*



Source: Arrowstreet





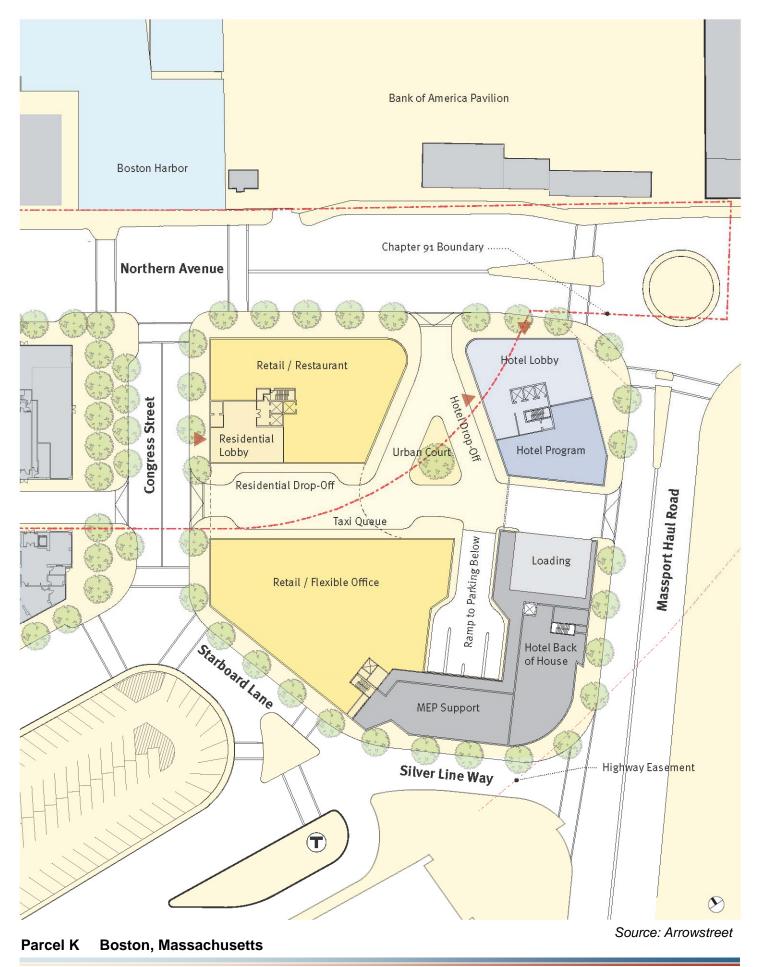
Epsilon

Source: Arrowstreet

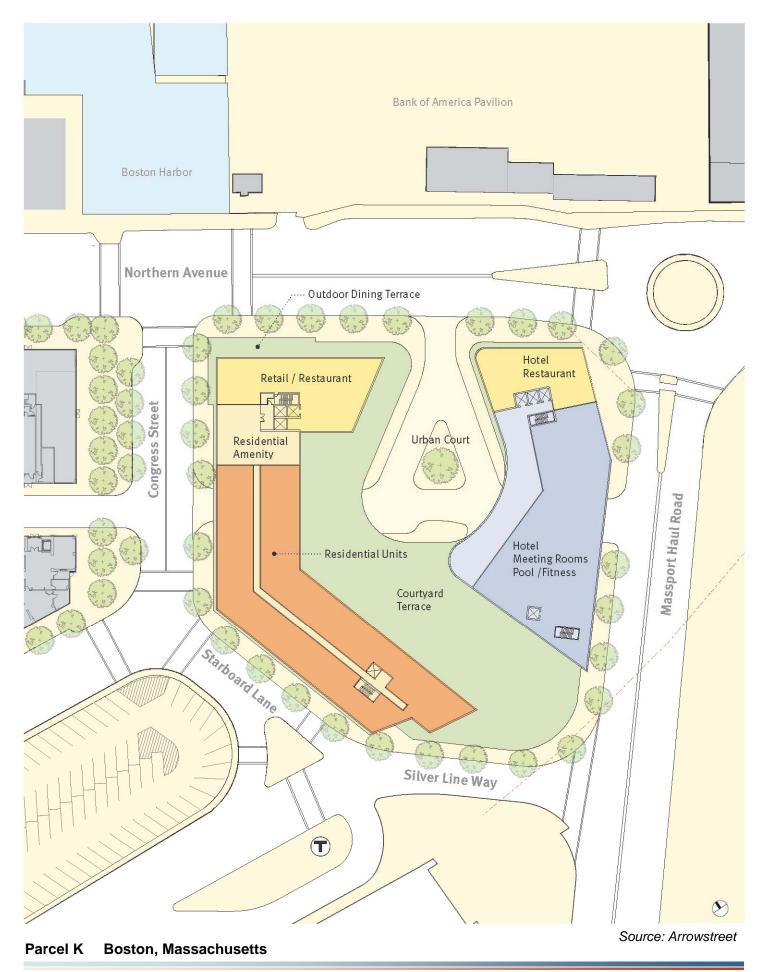
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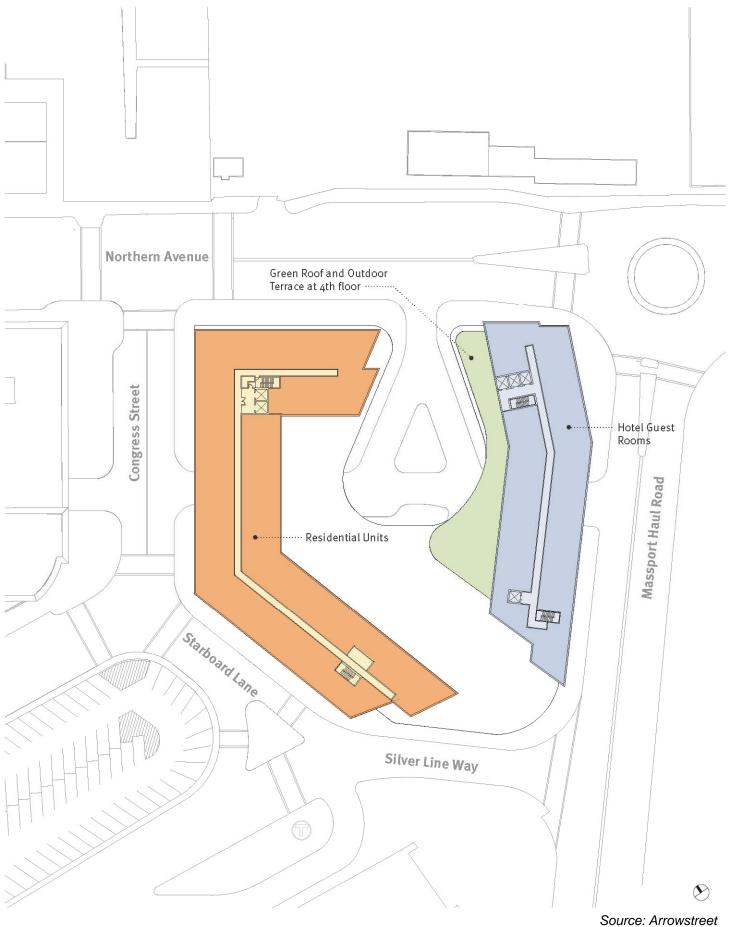








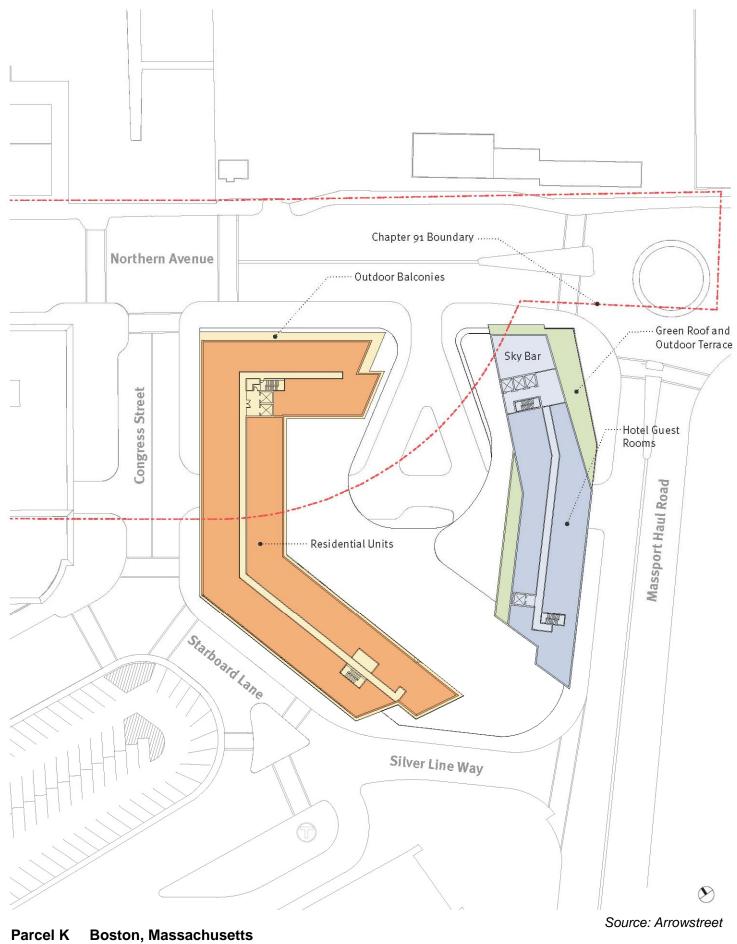




Parcel K Boston, Massachusetts



Figure 1.3-10 Levels 4 through 10, Typical Plan





Attachment C

Transportation Analysis



35 New England Business Center Drive Suite 140 Andover, MA 01810-1066 Office 978-474-8800 Fax 978-688-6508 www.rdva.com

Ref: 7446

September 9, 2016

Mr. John M Cappellano Senior Vice President Lincoln Property Company 53 State Street, 8th Floor Boston, MA 02109

Re: Parcel K Northern Avenue and Congress Street Boston, Massachusetts

Dear John:

Vanasse & Associates, Inc. (VAI) has completed a review of the traffic characteristics of the revised development program for Parcel K located off Northern Avenue and Congress Street in the South Boston neighborhood of Boston, Massachusetts (hereafter referred to as the "Project"). The following summarizes the results of our assessment and includes a review of the revised development program in relation to the transportation elements of the Commonwealth Flats Development Area (CFDA) comparability matrix and the thresholds of the Massachusetts Environmental Policy Act (MEPA):

DEVELOPMENT PROGRAM ANALYZED:

Hotel: 293 rooms/keys Apartments: 304 units Office: 14,400 square feet (sf) Retail/Restaurant: 17,928 sf Parking: up to 420 spaces

	Vehicle Trips						
Time Period	Current Proposal ^a Adjusted/Unadjusted	Approved Development ^a Adjusted/Unadjusted					
Average Weekday: ^b	1,668/4,578	1,390/3,844					
AM Peak-Hour:	105/286	93/252					
PM Peak-Hour:	140/374	117/316					

TRAFFIC CHARACTERISTICS

^aThe adjusted values represent the number of automobile trips that are expected to be generated by the Project after accounting for the use of public transportation and pedestrian/bicycle trips.

^bThe existing use of the Project site is a 270 space parking lot. Incorporating the removal of trips associated with the existing parking lot would result in a net reduction of 540 trips from the average weekday trip calculations cited above for both adjusted and adjusted trips.

CFDA COMPARABILITY MATRIX

Comparability Metric	CFDA Allocation	Current Proposal	Comparable? (Yes/No)
Vehicle Trips (AM/PM Peak Hour) ^a :	130/140	103/132	Yes
Transit Trips ^b :	185	53	Yes
Parking Spaces:	670	up to 420	No ^c

^aAdjusted peak-hour vehicle (automobile) trips. Includes a reduction for pass-by trips associated with the retail/restaurant use. ^bEvening peak-hour outbound trips only.

^cThe variation in parking exceeds 10 percent of the CFDA parking allocation for Parcel K.

As can be seen in the table above, with the exception of the number of parking spaces that are to be provided, the revised development program does not result in an exceedance of the thresholds established as a part of the CFDA Comparability Test for Parcel K.

With respect to the parking supply that is to be provided for the Project, the approved development program contemplated the construction of 640 parking spaces in a garage that was to be located beneath the Project site, of which over 200 were to be commercial spaces and not required to support the parking demands of the Project. As a result of refinements in the proposed development program and the desire to: i) reduce the overall number of parking spaces that are to be constructed; and ii) encourage the use of alternative modes of transportation to single-occupant vehicles (SOVs); the initial parking supply has been reduced to 197 striped spaces to be provided on a single level, which the operator, at its sole election, will have the option to increase the capacity of the garage to up to a maximum 420 parking spaces through the use of mechanical car-stacking machinery and/or actively managing the parking operations with valet operations as may be necessary to accommodate the needs of tenants/occupants of the Project or the CFDA. The parking garage has been designed to accommodate these changes. The proposed parking, with the option to increase to accommodate for the needs of the Project, will be sufficient to accommodate the projected parking demands of the Project and the CFDA while encouraging the use of alternative modes of transportation.¹

The reduction in parking on the Project site is consistent with the parking reduction goals within the CFDA and the parking management strategies that were identified in the Certificate that was issued on the *Final Environmental Impact Report* (FEIR) for the CFDA² which included the following commitments:

- 1) Conformity with the South Boston Parking Freeze;
- 2) Sharing of the parking supply among the mixed uses of the CFDA development to minimize the total parking supply needed;
- 3) Reducing the Commonwealth Flats parking ratio from 2.0 spaces per 1,000 sf to 1.1 at full buildout of the entire CFDA;
- 4) Charging market rates for parking;
- 5) Providing preferential parking for high occupancy vehicles (HOVs); and
- 6) Providing car-sharing opportunities.

²Final Environmental Impact Report, Commonwealth Flats Development Area; VHB, et al; December 15, 2000.



¹A <u>maximum</u> of 592 parking spaces would be allowed for the Project in accordance with the recommended maximum parking ratios developed by the Boston Transportation Department (BTD) for the South Boston Waterfront Area

Mr. John M Cappellano September 9, 2016 Page 3 of 3

The proposed parking supply for the Project meets the parking reduction goals of the CFDA and will include a minimum of two (2) parking spaces for HOVs and the allocation of a minimum of two (2) parking spaces for car-sharing vehicles. In addition, the reduced parking supply recognizes the proximity of the Project site to the MBTA Silver Line bus service and the pedestrian and bicycle infrastructure that has been constructed in the South Boston Waterfront Area, and advances the goals of the 2015 South Boston Waterfront Sustainable Transportation Plan,³ the recommendations from which seek to advance multi-modal transportation options and use within the South Boston Waterfront Area.

In considering the granting of a waiver from the preparation of an Environmental Impact Report (EIR) for the Project, the Secretary of Energy and Environmental Affairs stated the following in the December 24, 2014 *Final Record of Decision*:

1. The project is likely to cause No Damage to the Environment. The project entails the redevelopment of an under-utilized site with no sensitive environmental resources and minimal environmental impacts. The area-wide EIR identified overall environmental impacts associated with development of the CFDA. Impacts associated with this project are within the envelope of the previously identified impacts. When trip generation is adjusted for mode share, consistent with the project's proximity to transit, trip generation is below the EIR threshold of 3,000 adt.

In reviewing the trip projections for the current development proposal, the same test can be applied:

- a. The current development proposal is within the envelope of the previously identified impacts except as noted (see CFDA Comparability Test); and
- b. The adjusted trip-generation is below the EIR threshold of 3,000 adt (projected adjusted adt of 1,568 vehicle trips).

In addition, and as detailed herein, the reduction in parking that is associated with the Project is consistent with the parking reduction strategies for the CFDA and the goals of the 2015 South Boston Waterfront Sustainable Transportation Plan. Accordingly, the current development proposal for the Project site would meet the same criteria that were applied to the approved development program by the Secretary of Energy and Environmental Affairs in granting the Waiver from the preparation of an EIR.

If you should have any questions regarding our assessment of the revised development program for Parcel K, please feel free to contact me.

Sincerely,

VANASSE & ASSOCIATES, INC.

Grey S. Dirk

offrey S. Dirk, P.E., PTOE, FITE Principal

cc: File



³South Boston Waterfront Sustainable Transportation Plan, VHB, et al.; January 2015.