

MEMORANDUM

AUGUST 11, 2016

TO: BOSTON REDEVELOPMENT AUTHORITY AND
BRIAN P. GOLDEN, DIRECTOR

FROM: JONATHAN GREELEY, DIRECTOR OF DEVELOPMENT REVIEW
MICHAEL CHRISTOPHER, DEPUTY DIRECTOR OF DEVELOPMENT
REVIEW/GOVERNMENT AFFAIRS
MATTHEW MARTIN, URBAN DESIGNER
RAUL DUVERGE, PROJECT MANAGER
MARY KNASAS, PLANNER

SUBJECT: 55 WEST FIFTH STREET, SOUTH BOSTON

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (“BRA”) authorize the Director to: (1) issue a Certification of Approval for the proposed development located at 55 West Fifth Street in South Boston (the “Proposed Project”), in accordance with Article 80E, Small Project Review of the Boston Zoning Code (the “Code”); and (2) enter into an Affordable Rental Housing Agreement and Restriction in connection with the Proposed Project, and take any other action and execute any other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project.

PROJECT SITE

The Proposed Project is located at 55 West Fifth Street in the South Boston neighborhood of Boston. The site is located at the corner of West Fifth Street and B Street and is currently occupied by an automobile repair shop (the “Project Site”). The Project Site consists of approximately 10,000 square feet of land with direct vehicular and pedestrian access from both West Fifth Street and B Street.

The Project Site is within an approximately five minute walking distance (0.2 miles away) from MBTA Red Line subway service (Broadway Station), providing direct access to Downtown and the Greater Boston area.

DEVELOPMENT TEAM

The development team includes:

Proponent: Boston Real Estate Capital LLC
Joseph Hassell

Architect: Choo and Company, Inc.
Austin Ludwig

Legal Counsel: LaCasse Law, LLC
Marc LaCasse

DESCRIPTION AND PROGRAM

Boston Real Estate Capital LLC (the “Proponent”) proposes to demolish the existing auto repair facility on the Project Site and construct a five story, approximately 34,700 square foot mixed-use building with thirty-two (32) residential rental units, including four (4) units made affordable to households earning not more than 70% of the Area Median Income (“AMI”), thirty-six (36) off-street vehicle parking spaces, and 2,053 square feet of ground floor retail space (the “Proposed Project”).

As currently proposed, the thirty two (32) residential units will consist of six (6) studio units, eight (8) one bedroom units, and eighteen (18) two bedroom units.

The estimated total development cost for the Proposed Project is \$10,000,000.

ARTICLE 80 REVIEW PROCESS

On Friday, May 6, 2016, the Proponent filed an Application for Small Project Review with the BRA, pursuant to Article 80E of the Boston Zoning Code. The BRA sponsored and held a public meeting on Monday, June 13, 2016 at the BCYF Condon Community Center in South Boston. In response to feedback from the community, a follow up BRA sponsored public meeting was subsequently advertised and held on Monday, July 11, 2016. Both public meetings were advertised in both the *South Boston Online* and *South Boston Today*. The public comment period concluded on Friday, July 15, 2016.

Outside of the BRA sponsored public meetings, the development team conducted additional outreach with the Saint Vincent’s Lower End Neighborhood Association, Cityside Neighborhood Association, state and local elected officials, and abutters to solicit feedback and review the Proposed Project.

ZONING

The Project Site is located in the South Boston Neighborhood District and L-.5 Subdistrict.

The Proposed Project will require zoning relief from the following: lot area, floor area ratio [FAR], building height, usable open space, front yard, rear yard, traffic visibility at corner, and off-street parking.

PUBLIC BENEFITS

The Proposed Project will result in an enhanced use of the site including new pedestrian and commercial activity along West Fifth Street and B Street. The new construction proposed for the site will create four (4) new residential units made affordable to households earning not more than 70% of AMI as well as provide a contribution of \$48,000 towards the IDP Fund.

Additionally the Proponent will make the following contributions to benefit the South Boston neighborhood:

- \$10,000 to the Friends of Second Street Park within sixty (60) days of building permit issuance;
- \$2,500 contribution to the Cityside Neighborhood Association within sixty (60) days of building permit issuance; and
- \$2,500 contribution to the Saint Vincent Lower End Neighborhood Association within sixty (60) days of building permit issuance

The Proponent has also agreed to collaborate with representatives from the BCYF Condon Community Center, to remodel the existing community room within the Condon Community Center into a state of the art teen center with new furniture, kitchenette, computers, and additional equipment/materials. The Proponent anticipates completing the renovation and installation of new equipment/materials within approximately one (1) year of building permit issuance.

INCLUSIONARY DEVELOPMENT COMMITMENT

The Proposed Project is subject to the Inclusionary Development Policy, dated December 10, 2015 ("IDP"), and is located within Zone B, as defined by the IDP. The IDP requires that 13% of the total number of units within the development be designated as IDP units. In this case, four (4) units within the Proposed Project will be created as IDP Units, made affordable to households earning not more than 70% of the AMI, as based upon the United States Department of Housing and Urban Development ("HUD").

The proposed sizes, location and rents for the IDP Units are as follows:

Number of Bedrooms	Approximate Square Footage	Location of IDP Unit	Percent of Median Income	Approximate Rent
Studio	505 SF	Unit 24- 4 th Floor	70%	\$1065.00
1	600 SF	Unit 3- 2 nd Floor	70%	\$1242.00
2	791 SF	Unit 7- 2 nd Floor	70%	\$1419.00
2	846 SF	Unit 13- 3 rd Floor	70%	\$1419.00

The location of the IDP Units will be finalized in conjunction with BRA staff and outlined in the Affordable Rental Housing Agreement and Restriction (“ARHAR”), and rental prices and income limits will be adjusted according to BRA published maximum rents, as based on HUD AMIs, available at the time of the initial rental of the IDP Units. IDP Units must be comparable in size, design, and quality to the market rate units in the Proposed Project, cannot be stacked or concentrated on the same floors, and must be consistent in bedroom count with the entire Proposed Project.

The ARHAR must be executed along with, or prior to, the issuance of the Certification of Approval for the Proposed Project. The Proponent must also submit an Affirmative Marketing Plan (the “Plan”) to the Boston Fair Housing Commission and the BRA. Preference will be given to applicants who meet the following criteria, weighted in the order below:

- (1) Boston resident; and
- (2) Household size (a minimum of one (1) person per bedroom).

The IDP Units will not be marketed prior to the submission and approval of the Plan. A deed restriction will be placed on the IDP 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 renter of the IDP Units during this fifty (50) year period must fall within the applicable income limit for each IDP Unit. The BRA or its assigns or successors will monitor the ongoing affordability of the IDP Units.

In addition to the four (4) designated IDP Units, the Proponent has agreed to make an IDP contribution of \$48,000 as a partial unit payment to the IDP Special Revenue Fund (“IDP Fund”) managed by the Department of Neighborhood Development (“DND”). This payment will be made at the time of the building permit. Combined, this contribution together with the four (4) designated IDP Units satisfies fully the IDP requirements pursuant to the December 10, 2015 IDP.

RECOMMENDATIONS

The Proposed Project complies with the requirements set forth in Section 80E of the Code for Small Project Review. Therefore, Staff recommends that the BRA approve and authorize the Director to: (1) issue a Certification of Approval for the Proposed Project at 55 West Fifth Street in South Boston; and (2) enter into an Affordable Rental Housing Agreement and Restriction, and take any other action and execute any 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 Certification of Approval, approving the development proposed by Boston Real Estate Capital (the "Proponent") at 55 West Fifth Street in South Boston (the "Proposed Project"), in order to construct thirty (32) residential rental units, including four (4) IDP units, ground floor retail, and thirty six (36) off street parking spaces, in accordance with the requirements of Small Project Review, Article 80E, of the Boston Zoning Code, subject to continuing design review by the Boston Redevelopment Authority; and

FURTHER

VOTED: That the Director be, and hereby is, authorized to execute an Affordable Rental Housing Agreement and Restriction for the creation of four (4) on-site IDP Units, a \$48,000 contribution towards the IDP Fund, and execute any other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed Project.