

Minutes of Public Hearing re: Asset Management Board Project Proposal:

Charles F. Hurley Building Redevelopment Project, Boston, Massachusetts

Date: December 16, 2020

Time: 6:30 pm to 8:00 pm

Place: via Zoom Webinar

The meeting was held by Zoom Webinar and included approximately 148 participants.

The panelists included:

Carol Gladstone, *DCAMM Commissioner*

Abigail Vladeck, *DCAMM Director of Public/Private Development Partnerships*

Drew Leff, *Stantec Architecture and Engineering, PC*

Paul Crowley, *DCAMM Deputy Commissioner for Real Estate*

Henry Moss, *Principal, Bruner/Cott Architects*

Emily Glavey, *DCAMM Senior Project Manager, Office of Planning*

Michael Grant, *Stantec Architecture and Engineering, PC*

Tamara Roy, *Stantec Architecture and Engineering, PC*

Regan Checchio, *Regina Villa Associates*

Amanda Poggenburg, *Regina Villa Associates*

Freya Bernstein, *DCAMM Deputy General Counsel*

Steven Zeller, *DCAMM Deputy General Counsel*

Inge Gomez-Michel, *Spanish Interpreter*

Heidi Thomas, *Closed Captioner*

Ms. Checchio began the meeting at approximately 6:05 pm with several announcements, including:

- The meeting was being recorded.
- If participants did not want to become part of the distribution list for notifications about this project, they could go to the DCAMM website and 'unsubscribe' from this list.
- She also introduced the Spanish language interpreter, Inge Gomez-Michel and the closed captioner, Heidi Thomas before introducing the AMB Chair and DCAMM Commissioner, Ms. Gladstone.

Ms. Gladstone welcomed participants to the meeting. She stressed that the Asset Management Board process was not to approve any specific redevelopment plan, but rather to approve a process for disposition and acquisition of real estate interests. She said that doing nothing to improve the Hurley Building was not an option, as it was nearing the end of its useful life and would require approximately \$225 million dollars in deferred maintenance in the near future. She noted that Asset Management Board (AMB) member Mary Lentz was also a participant in this meeting.

Ms. Vladeck asked participants to respond to two interactive questions, the results of which were as follows:

Question 1 – Did you attend the November 19, 2020 public hearing regarding design issues for the Hurley Building redevelopment project?

Responses: Yes – 67 (60%);
No – 45 (40%)

Question 2 – In what capacity is your interest in the Hurley Building redevelopment project?

Responses:

Neighbor – 28 (25%)
Development Professional – 36 (33%)
Advocate – 15 – (15%)
Elected/Government Official – 9 (8%)
Other – 21 (19%)

Ms. Vladeck then described the AMB process. The Board had previously approved a preliminary Project Proposal and is expected to approve at a future meeting a final Project Proposal. Such approval by the AMB would only be to authorize a request for proposals (RFP) to conduct a competitive alternative disposition process. She emphasized again that the AMB was not approving a redeveloper or a redevelopment plan, only the competitive process to procure them.

Ms. Vladeck indicated there were three main reasons that DCAMM is proposing this project:

1. Create a cost-effective way to improve the Hurley Building.
2. Consolidate downtown Boston state office uses.
3. Better integrate the facility into the neighborhood.

She noted the site contains approximately 3.25 acres of land and that the Hurley Building contains approximately 327,000 square feet, of which approximately 241,000 square feet are usable. The building was completed and first occupied in 1971.

Ms. Vladeck indicated that the public-private partnership model of redevelopment would be used whereby DCAMM would procure a developer, enter into a ground lease and then 'lease-back' office space from the redeveloper at reduced cost to the Commonwealth for Commonwealth office space. The chief advantages of a public-private partnership are:

1. Enliven the site with a greater diversity of uses.
2. Introduce private capital by leveraging the value of the site.
3. Stabilize occupancy costs for the Commonwealth in the downtown Boston market.
4. Engage private sector creativity.

Ms. Vladeck indicated that Merrimac Plaza would be identified as a potential "Open Space Improvement Area," with the Commonwealth retaining the right to take back portions of the Plaza, if needed, for other development. She said that the public benefits of the proposed project included the following:

1. Financial Benefits. These include stabilizing and minimizing the cost of the Commonwealth's long-term office space needs in Downtown Boston. In addition, the proposed approach will also address the current, approximately \$225 million capital liability of the Hurley Building.
2. Long-term lease to Commonwealth. The Commonwealth will benefit from the certainty of a long-term tenancy (up to 99 years) or commercial leasehold condominium in improved space at stabilized, below-market rents.

3. Addressing capital needs. This project will bring the site up to modern standards, including retrofits to reduce energy consumption, and upgrades to interior spaces to better address program and customer service needs. By leveraging the Disposition Site's value, the Commonwealth will be able to address these concerns and eliminate a capital liability of approximately \$225 million.
4. Improved urban design. The redevelopment will enliven what is currently an imposing, unfriendly block in Downtown Boston by bringing a mix of uses and greater density to the Disposition Site and re-thinking the street-level experience (including open space, ground-level activation, and the introduction of a mid-block passageway between Staniford and New Chardon Streets).
5. A thoughtful approach to historic preservation. The Disposition Site is part of the Boston Government Service Center ("BGSC"), for which esteemed modernist architect Paul Rudolph served as the coordinating architect. The complex as a whole is admired by fans of Brutalist architecture. DCAMM is in consultation with the Massachusetts Historical Commission and preservation advocates on an adaptive reuse approach that respects the significance of the site while allowing for much-needed improvements (hence, inclusion of the "Open Space Improvement Area" in the Disposition Site offering).
6. Economic benefits. This project will create both temporary and permanent jobs and will generate tax revenue for both the city and state. The magnitude of each of these benefits will depend on the specific redevelopment approach selected.
7. Transit-oriented development. As the Commonwealth seeks to address traffic congestion and reduce greenhouse gas emissions, concentrating development in transit-accessible locations is key to future growth. The site is near all four MBTA lines and the Commuter Rail at North Station.

Ms. Vladeck indicated that DCAMM's minimum requirements for the redeveloper would be to provide up to 350,000 square feet of office space for Commonwealth use (either on-site or off-site) and to provide approximately 200 parking spaces to service the building.

The RFP to select the redeveloper will include evaluation criteria including the following:

1. Team Qualifications
2. Development proposal
3. Design proposal
4. Financial offer

Ms. Vladeck indicated that the redeveloper would be responsible for procuring all financing and required permits. At this point, she indicated it is unlikely the Hurley Building would be completely demolished as that is a question that many people have voiced regarding the project. She then discussed the timing of the project and indicated that DCAMM expected to have AMB approval and select a redeveloper in calendar 2021 and that financing and permitting would occur in 2021 and 2022. She noted that the public comment period for the AMB Project Proposal would end on December 23, 2020 and urged participants to leave their comments at the website created by DCAMM and shared on screen.

Ms. Vladeck then invited elected officials to identify themselves.

Kenzie Bok, District 8 Boston City Councilor, noted the site's history as part of the clearance of the West End, and encouraged DCAMM to use the project to address community concerns – including community space, breaking up the superblock, and neighborhood-oriented retail – in addition to the Commonwealth's own space needs.

Ms. Checchio then opened up the hearing for comments from participants, indicating that they could use the 'raise your hand' feature to be recognized and speak or type in the 'comments' section. In response to an inquiry as to whether historical tax credits would be available, Ms. Vladeck indicated that it would up to the developer to finance the project. There was discussion regarding current uses at the adjacent Lindemann Center building. Ms. Vladeck indicated that the building is used for mental health services including day and residential programs and a homeless shelter.

Jim Campano, who identified himself as affiliated with West End Housing Corporation, indicated he wants to see housing as a priority at the site and noted that the adjacent Brooke Courthouse was supposed to include housing.

A question was raised whether the attendance list would be shared, and it was indicated that it would not be to preserve people's right to attend the public hearing anonymously.

There was discussion regarding the possible term of the Commonwealth's space lease, and Ms. Vladeck indicated the space lease would not have to have the same term as the ground lease. The space lease is expected to be a long-term lease with extensions, but not exceeding 99 years in total.

There was discussion regarding the importance of historic preservation in the selection process. Participants were urged to review the Draft Design Guidelines, including the Building Guidelines section. These Guidelines will constitute an important component of proposal review.

There was discussion regarding the layout of the site and the fact that there are often many 'illegally' parked vehicles on the Merrimac Plaza. It was noted again that responses to the RFP must address the 200 parking space requirement (currently located on and under the interior site Plaza). In addition, it was noted that there is an open passageway the bisects the Lindemann Building that may be used for improvements to the Plaza area.

A participant identified himself as Ron Iacobucci of Workforce Development/South Shore and indicated he used to live at a now discontinued address in the West End that is now the location of the Hurley Building. He stated that, if housing was permitted in the redevelopment, some should be reserved for affordable housing and displaced persons from West End Urban Renewal. He said that over 20,000 persons were displaced from the West End. He also questioned whether Workforce Development and the Department of Unemployment Assistance will be allowed to remain in Hurley Building and advocated for keeping them at this location. Commissioner Gladstone indicated that most of the current state agencies located at the Hurley Building would return to the refurbished building once the project was completed.

There was discussion regarding how to integrate the site into the neighborhood, including issues regarding site lines down Cambridge Street to the West End Church and attempting to bring together the West End and Government Center areas.

A participant identifying himself as Duane Lucia noted that the Otis House on Cambridge Street was moved back from the street approximately 20 feet in the 1920's to preserve site lines.

Jamie McNeil, identified himself as affiliated with Local 26 of the Hospitality Workers Union, advocated for diversity and workforce development requirements and cited the Massport's Omni Seaport project as a model. Ms. Vladeck indicated that women and minority business participation would be a factor in evaluating proposals.

There was discussion regarding how much office space would be required by the Commonwealth given recent workplace changes and the enhanced ability to work remotely. Ms. Vladeck indicated that up to 350,000 square feet would be needed as it was possible to consolidate several downtown Boston leases into the refurbished Hurley Building. There was discussion about the uncertainty of commercial real estate market and possible future uses for the site.

A participant identifying himself as Kelvin Dickinson asked how the design elements of proposals would be evaluated and whether the public art would be preserved. It was noted that the sculpture on the site was not particularly significant but that murals inside the entrance to the Hurley Building were more significant and some effort to preserve them would be desirable. It was suggested that interested persons could review Henry Moss' historic analysis on DCAMM's website for context and further information.

There was a question regarding how proposals would be evaluated. Ms. Vladeck reiterated that design (including preservation, public space, and open space), financial strength, satisfying the Commonwealth's space needs, and minority/women business participation would all be factors.

There were comments reflecting the desire for the Hurley Building to become carbon net neutral and having limited environmental impact.

It was noted that there are several development projects commencing in the area, including Massachusetts General Hospital and the Boston Public Library branch on Cambridge Street. There were comments urging the Commonwealth to ensure these projects were developed in a cohesive manner. Several people indicated that including the Lindemann Building in this project would provide an opportunity to transform the entire block.

There was discussion on preserving at least the façade of the Hurley Building (facadism). Ms. Roy indicated that the Commonwealth has indicated it is open to a range of options with a goal of preserving the historic nature of the Building.

Regarding the architecture of the Hurley Building, comments ranged from calling it an "important work of Paul Rudolph" and a "masterpiece" to it being an "eyesore" that should be torn down.

Ms. Vladeck reminded participants that the comment period for both the Preliminary Project Proposal for the AMB and the Design Guidelines is December 23, 2020 at 5 pm.