

**CONTRACT FOR PAYMENT IN LIEU OF TAXES
ENTERED INTO BY AND AMONG THE CITY OF BOSTON,
BOSTON REDEVELOPMENT AUTHORITY AND 281 FRANKLIN STREET
DEVELOPMENT LLC**

This Contract for a Payment in Lieu of Taxes Agreement (this “PILOT Agreement”) is effective as of May 13, 2024 (the “Effective Date”), is between the **CITY OF BOSTON**, acting by and through its Assessing Department, (the “City”), the **BOSTON REDEVELOPMENT AUTHORITY**, a body politic and corporate created pursuant to Chapter 121B of the Massachusetts General Laws, as amended, (the “BRA”), **281 FRANKLIN STREET DEVELOPMENT LLC** a Massachusetts limited liability company, having an address of 599 E Broadway, Boston, Massachusetts (the “Owner”).

RECITALS

WHEREAS, on October 12, 2023 the BRA Board of Directors authorized a “Downtown Office to Residential Conversion Incentive Pilot Program” and established a Demonstration Project Plan Area over most of the “Downtown” Boston area and as further defined in the Board Memorandum (the “Office Conversion Program Memo”), attached as Exhibit B.

WHEREAS, based on current and projected trends in the commercial real estate market and the lack of housing stock in the Downtown Boston area, the BRA is seeking to provide tax abatement under this Agreement in order to incentivize property owners of Class B and C office space to consider converting existing office space to multi-family residential housing.

WHEREAS, The 281 Franklin Street Project (the “Project”) includes the redevelopment of the existing antiquated office space, converting each of the existing upper five floors into three residential rental units for a total of fifteen residential units; three of which (20%) will qualify as “Affordable Housing” under the Inclusionary Development Policy of the City of Boston (collectively, the “Residential Component”), with retail on the first floor (the “Commercial Component”), as approved by the BRA on March 18, 2024 (the “BPDA Project Approval Memo”) attached hereto and incorporated herein as Exhibit C;

WHEREAS, the Project Site consists of the 2,139 +/- square foot parcel known as 281 Franklin Street, Boston, Assessor’s Parcel No. 0304031000 (the “281 Franklin Street Parcel”).

WHEREAS, acting pursuant to and in accordance with Chapter 121B of the Massachusetts General Laws, and pursuant to an authorizing vote by the BRA on March 14, 2024, and to be recorded with the Suffolk Registry of Deeds as the same may be hereafter amended, the BRA will execute a Quitclaim Deed (the “Deed”) conveying to the BRA a limited, temporary real property interest (the “Temporary Interest”) in the 281 Franklin Street Property as described in Annex A to such Deed (the “PILOT Parcel”), attached and incorporated hereto as Exhibit D, subject to and specifically excluding certain matters as set forth therein.

WHEREAS, the BRA has accepted the Deed conveying an interest in the PILOT Parcel, so as to stabilize the taxes due and owing for the PILOT Parcel, to enable the Owner to convert the current office space at the Project Site to housing (and maintain the first floor as commercial), the creation of that housing will remedy a blighted and decadent area, as defined

by the BRA's Demonstration Project Plan Area approved by the Office Conversion Board Memo.

WHEREAS, the Owner, the City and the BRA agree that during the Term (as hereinafter defined), the PILOT Parcel will be exempt from taxation in accordance with the provisions of M.G.L. c. 121B § 16 and M.G.L. c. 59; however, in lieu thereof and in accordance with the terms set forth herein, including the satisfaction of certain obligations of Tenant as set forth herein, the Owner shall make PILOT Payments (as hereinafter defined) as set forth in further detail herein.

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth herein:

1. Payment In Lieu of Taxes:

- a. Notwithstanding the provisions of M.G.L. c. 59, during the Term, as defined in this PILOT Agreement, in lieu of real estate taxes with respect to the PILOT Parcel which would otherwise be assessed and payable under M.G.L. c. 59, the Owner shall make PILOT Payments, as set forth in Section 3 below, pursuant to the provisions of M.G.L. c. 121B, § 16.
- b. An installment of the PILOT Payment shall be made by Owner on each of November 1st and May 1st (the "Payment Dates") of each Fiscal Year (as hereinafter defined) during the Term. The first installment shall be an estimate based on fifty percent (50%) of the PILOT Payment in the previous Fiscal Year. The second installment shall be the full PILOT Payment for the said Fiscal Year minus any sum paid for the first installment.
- c. PILOT Payments shall be made directly to the City's Collector-Treasurer.
- d. Owner's failure to pay in full each PILOT Payment installment on or before the Payment Date shall result in Owner being liable for interest, fines, penalties and related costs, including legal costs and disbursements, in accordance with M.G.L. c. 60, as amended from time to time.

2. Term: This PILOT Agreement is effective on the Effective Date and will provide no more than Twenty-Nine (29) years of tax abatement consistent with the provisions of Section 1 of this Agreement. This PILOT Agreement shall terminate no later than June 30, 2053 (the "Expiration Date"). Upon the expiration of the Term, the 281 Franklin Street Parcel, which includes the PILOT Parcel, will be fully assessed and taxable to the Owner in accordance with M.G.L. c. 59. Upon expiration, the temporary interest as described in the Deed shall likewise terminate and title shall revert to the Owner or its successor in interest. Upon the termination of the Term and the reversion of title, the Owner, or its successor in interest, may record with the Suffolk County Registry of Deeds an affidavit executed under the pains and penalties of perjury confirming the occurrence of the Termination Date and the termination of the rights grants in the Deed, consistent with those terms in Deed as attached in Exhibit D.

3. PILOT Payments: The Owner and the City have agreed to an abatement equal to an amount no greater than a Seventy-Five percent (75%) reduction in the taxes would otherwise be

owed on the Residential Component of the Project Site but for the existence of this Agreement, averaged over the Term. The Owner and the City agree to the schedule of payments for each Fiscal Year during the Term, as shown and defined in Exhibit A of this Agreement. The "PILOT Payment" shall be comprised of two components, the Residential Component and the Commercial Component. The Residential Component shall be an amount equal to: (i) that amount which equals the tax payment which would otherwise be due, using a residential tax rate, to the City for the property taxes which would have been assessed against the residential portion of the Project Site on the PILOT Parcel had this PILOT Agreement never been in force and effect and had the BRA never acquired an ownership interest in the PILOT Parcel which is the subject of the Deed; less (ii) the Applicable Reduction Amount (as herein defined). As used herein, the phrase "Applicable Reduction Amount" shall mean the percentage, for the relevant Fiscal Year, as shown in Exhibit A of this Agreement. The Commercial Component shall be an amount equal to that amount which equals the tax payment which would otherwise be due, using a commercial tax rate, to the City for the property taxes which would have been assessed against the Commercial Component of the project.

The assessed values for the PILOT Payment for each Fiscal Year during the Term shall be calculated by the City in accordance with M.G.L. c. 59, in the same manner as taxable assessed values are derived. Upon determination of the assessed value of the Project Site for each Fiscal Year during the Term, the City shall notify the Owner thereof (the "Payment Amount Notice").

4. **Collection and Enforcement:** In addition to the City's rights under Sections 1, 7 and 8 of this PILOT Agreement, the City shall have the right to sue the Owner for breach of contract if the PILOT Payments and gap payment (defined below) and any interest and costs assessed are not paid as agreed. In consideration of the agreement by the Owner to such collection remedies, the City agrees that (i) the BRA shall have no liability whatsoever for any PILOT Payments hereunder, and (ii) there shall be no other recourse against, or any personal liability on the part of any of Owner's general or limited partner, member, manager, officer, director, employee or agent thereof with respect to any payments due or any obligations to be performed hereunder.

5. **Amendments /Modifications:** The Owner, the City and the BRA agree that any amendment subsequent to the delivery of this PILOT Agreement that affects any term or conditions of this PILOT Agreement shall have no effect unless it is in writing and signed by duly authorized representatives of all parties hereto.

6. **Default by Owner:**

a. **Default on PILOT Payment:** If the Owner defaults in its obligation to make a PILOT Payment as required by this PILOT Agreement, the City shall have the right to terminate this PILOT Agreement upon thirty (30) days' notice to Owner and the failure of Owner to have cured such default within such thirty (30) day period.

b. **Default by Non-Compliance with Program Requirements:** This Agreement is conditioned on the Proposed Project adhering to the following requirements of the BRA's Office Conversion Program. If the Owner defaults in its obligation to

adhere to the requirements of the BRA's Office Conversion Program as required by this PILOT Agreement, the City shall have the right to terminate this PILOT Agreement upon thirty (30) days' notice to Owner and the failure of Owner to have cured such default within such thirty (30) day period. The Owner shall comply with the following provisions or such non-compliance shall result in Default under this Agreement:

- i. Compliance with the City of Boston's Inclusionary Development Policy (the "IDP") will be met with the Owner providing three IDP units, comprised of a One-bedroom and two studio units, available only to households earning no more than 60% of the Area Median Income, as further defined in Exhibit C.
 - ii. Owner must comply with all requirements as determined through proper review with Boston's Inspectional Services Department ("ISD") and with all project Mitigation and Community benefits, as further defined in Exhibit C.
- c. Project Transitions to Homeownership: This Agreement may not be transferred or assigned to a Homeowner's Association, individual property owners in a condo regime, or similar structure. Deviation from the BRA Board approved multi-family rental project shall constitute a Default by the Owner and the City or the BRA may terminate this Agreement.

7. **Effect of Default**: In the event of default and in the event the City exercises the right to terminate this PILOT Agreement, then, from and after such termination, the PILOT Parcel shall be assessed pursuant to M.G.L. c. 59, and the Owner hereof shall be liable for taxes that accrued or would have accrued from and after such default but for the existence of this PILOT Agreement. Upon a termination by the City of this Agreement, then the temporary interest in accordance with the Deed shall likewise terminate and title shall revert to the Owner or its successor in interest. Upon the termination of the Term and the reversion of title, the Owner, or its successor in interest, may record with the Suffolk County Registry of Deeds an affidavit executed under the pains and penalties of perjury confirming the occurrence of the Termination Date and the termination of the rights grants in the Deed, consistent with those terms in Deed as attached in Exhibit D.

8. **Termination: Failure to Commence/Diligently Pursue Construction**: Notwithstanding the provisions of Section 7 of this Agreement, the Owner shall obtain a Certification of Approval from the BRA certifying the Owner's completion of requirements pursuant to Article 80 of the Boston Zoning Code, obtain a building permit from the City of Boston's Inspectional Services Department ("ISD"), and commence construction on the 281 Franklin Street Parcel no later than September 14, 2024. Upon commencement of construction and subject to delays due to Force Majeure Events, as defined in Section 15(c) this Agreement, the Owner shall diligently and continuously prosecute construction to completion and the Owner shall obtain a Certificate of Occupancy from ISD (the "Certificate of Occupancy") no later than Eighteen (18) Months from the date a building permit was issued from ISD for the Owner's 281 Franklin Street Project on the PILOT Parcel.

Should the Owner not obtain a building permit and commence construction, prior to September 14, 2024, the BRA or the City may terminate this Agreement.

If, at any point during the Term, the Owner is found, in the reasonable discretion of the BRA or the City, to not diligently and continuously prosecute construction and/or does not obtain a Certificate of Occupancy Eighteen months from the issuance of a building permit, then, the BRA or the City may terminate this Agreement pursuant to this Section.

Upon termination of this Agreement pursuant to this Section, the Owner shall owe to the City the total property taxes that would have been assessed under M.G.L. c. 59 against the PILOT Parcel, had this PILOT Agreement not been in full force and effect.

8. Gap Payment: The Owner agrees that upon the termination of this PILOT Agreement, the Owner shall pay, or cause to be paid, a gap payment to cover the time period between the termination date and the date on which the PILOT Parcel becomes taxable pursuant to M.G.L. c. 59. The gap payment shall be equal to the M.G.L. c. 59 property taxes, which would otherwise be due to the City for the property taxes which would have been assessed against the PILOT Parcel had this PILOT Agreement never been in force and effect. The gap payment shall be paid within six (6) months following the month in which this PILOT Agreement terminates. The provisions of Section 5 and this Section 9 shall survive the termination of this PILOT Agreement.

9. Notice: Any notice or other communication required or permitted under this PILOT Agreement shall be in writing and shall be deemed given when sent, if (i) delivered by hand, (ii) sent by registered or certified mail, return receipt requested, or (iii) sent by a recognized overnight delivery service, addressed as follows:

If to the City:

City of Boston Assessing Department
City Hall, Room 301
Boston, MA 02201-1007
Attention: Commissioner of Assessing

with a copy to

City of Boston Office of Corporation Counsel
City Hall, Room 615
Boston, MA 02201-1007
Attention: Corporation Counsel

If to the BRA:

Boston Redevelopment Authority
One City Hall Square
Boston, MA 02201-1007
Attention: Director

with a copy to

Boston Redevelopment Authority
One City Hall Square

Boston, MA 02201-1007
Attention: General Counsel

If to the Owner:

Adam Burns, Manager
281 Franklin Street Development LLC
599 E Broadway
Boston, MA 02127

with a copy to:

Kenneth M. Goldstein, Esq.
Goldstein & Herndon, LLP
822 Boylston Street, Suite 300
Chestnut Hill, MA 02467

10. Successors/Assigns:

- a. This PILOT Agreement may be assigned or transferred during the Term of this PILOT Agreement only with prior approval of the City and the BRA, not to be unreasonably withheld, and pursuant to the terms of a Bona Fide Sale/Transfer as defined below. Upon the first Bona Fide Sale/Transfer during the Term the Owner will pay to the City: Two Percent (2%) of the Gross Sale Proceeds on the first Bona Fide Sale/Transfer (the "Transfer Fee"). Subsequent Bona Fide Sale/Transfers shall be subject to a Transfer Fee in the reasonable discretion of the City and the BRA and subject to a review of the information provided under this Section and Sub-Section. The Owner shall provide the City and the BRA information on the Owner's total development costs, transaction costs, and the terms of the Sale/Transfer of the 281 Franklin Street Parcel and, if requested by the City or by the BRA, the Owner agrees to provide supporting documentation of such total development costs, transaction costs, and terms of the Sale/Transfer reasonably satisfactory to the City and to the BRA. The City and the BRA agree to approve said Sale/Transfer by the current Owner upon said current Owner's having agreed to make said payment in accordance with the terms and conditions as set forth above, and upon the City's and the BRA's reasonable determination, which shall not be unduly conditioned or delayed, that the Owner has satisfied the following conditions: (i) the Owner has demonstrated that the proposed Transferee has the economic resources, including equity or financing commitments or other resources to complete the Project; (ii) the Transferee assumes in writing all of the obligations hereunder; (iii) the Transferee has provided the BRA with a form of Disclosure of Beneficial Interests in form and substance similar to that on file from the Owner reasonably acceptable to the BRA; (iv) the Transferee meets the requisite Office of Foreign Asset Control

disclosure requirement; (v) the Transferee, including its principals, is not in default of any City of Boston real estate tax obligations or is not in default of any City of Boston Fair Housing practices; and (vii) the Owner shall produce relevant documentation to demonstrate that they are appropriately complying with the Transfer Fee provision under this Section or require an adjustment to the Transfer Fee subject to Section 11(b) of this Agreement.

- b. In the event that, following the commencement of this Agreement and during the Term, the City should assess new fees on a Bona fide Sale/Transfers, similar to the provision found in Section 11(a) of this Agreement, then, in the reasonable discretion of the BRA and the City, the Transfer Fee under this Agreement shall be reduced or waived accordingly so that in no event, as a result of this Agreement, shall the Owner pay more than Two Percent (2%) of the Gross Sale Proceeds on a Bona Fide Sale/Transfer to the City or the BRA. If the Owner determines that the total percentage owed to the City pursuant to this section 11 is greater than Two Percent of their Gross Sale Proceeds on a Bona Fide Sale/Transfer, they shall produce relevant documentation, as described above and the City will lower the Transfer Fee accordingly such that said charge combined with such new fees, shall not exceed Two Percent of their Gross Sale Proceeds on a Bona Fide Sale/Transfer.
- c. In any and all events, the Owner, which term shall mean its permitted affiliates, successors and assigns, shall be able to borrow money secured by a mortgage in its interests in the 281 Franklin Street Parcel, and no such financings shall be considered a Sale/Transfer as defined herein or subject to the approval of the City or the BRA in any case.
- d. The Owner's successor or assign shall be subject to the burdens and receive the benefits of M.G.L. c. 121B, § 16 and this PILOT Agreement. The successors or assigns shall derive the benefits only for the time remaining in this PILOT Agreement.
- e. The Owner, which term may include said successors and assigns as detailed above, shall have the burden of notifying the BRA and the City of the intended Sale/Transfer.

11. Counterparts: This PILOT Agreement may be executed in multiple counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

12. Governing Law: Notwithstanding anything herein to the contrary, this PILOT Agreement shall be governed by the laws of the Commonwealth of Massachusetts and any suit, claim or action shall be brought in Suffolk County.

13. Severability: If any provision of this PILOT Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this PILOT Agreement and the application of such provisions to other persons and circumstances

shall not be affected thereby and shall be enforced to the greatest extent permitted by law. The City reserves the right to assess the Owner's real property pursuant to M.G.L. c. 59, as amended; if the provision held to be invalid or unenforceable relates to a PILOT Payment, and the Owner shall retain the ability to contest the taxes as so assessed pursuant to the terms of M.G.L. c. 59, as amended.

14. Definitions: Terms defined elsewhere in this PILOT Agreement shall have the meanings ascribed to them. In addition, the terms defined below shall have the meaning ascribed to them wherever such terms shall appear in this PILOT Agreement, unless the context requires otherwise.

- a. Fiscal Year: shall mean the twelve (12) month period from July 1 to June 30.
- b. Sale/Transfer: shall mean:
 - i. For the purposes of this Section and Section 11.a, the terms "sale" and "transfer" shall be deemed to mean: (i) a change in beneficial interests in the Owner, which results in a change of Control (as defined below) in the Owner (ii) the sale or transfer of all or substantially all of the assets of the Owner in one or more transactions into one or more entities that is not an Affiliate or Affiliated Entity, as defined herein, other than a transfer to a lender in exercise of its remedies, or (iii) the merger or consolidation of the Owner, into or with another entity that is not an Affiliated Entity. However, the following transfers shall not require the approval of the BRA: (a) transfers of direct or indirect interests in the Owner or the Tenant, respectively, to an Affiliated Entity of such Owner or Tenant respectively, or (b) in the case of a publicly traded company, transfers shall not include transfer of shares through a stock exchange. For the purposes hereof, the term "Affiliate" or "Affiliated Entity" shall mean (1) any real estate investment fund, limited partnership, limited liability company or other form of real estate investment vehicle Controlled by the Owner or the Tenant, respectively, and/or (2) any entity which directly or indirectly Controls, be under the Control of, or be under common Control with, the Owner or the Tenant, respectively, and (ii) the term "Control" shall mean when used with respect to any entity, the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities or other beneficial interest, by contract, or otherwise (and the terms "Control," "Controls," "Controlling" and "Controlled" shall have the meanings correlative to the foregoing). Any transfer to an "Affiliate" or "Affiliated Entity" shall be effective upon the filing of written notice of such transfer with the BRA and with the City, such notice to include a disclosure of those having beneficial interests in the "Affiliate" or "Affiliated Entity" in form and substance reasonably satisfactory to the BRA. "Bona Fide Sale/Transfer" shall mean an arm's length transaction by Owner and an unrelated or unaffiliated party whereby the 281 Franklin Street Parcel is sold for

consideration based on fair market value. Furthermore, in the event the first transfer from the current Owner occurs as a result of a foreclosure or deed in lieu of foreclosure to a lender, then the foreclosing lender shall be considered the current Owner for the purposes of Section 11(a) of this PILOT Agreement, and said transfer shall be subject to the payment provisions of Section 11(a) of this PILOT Agreement, provided that no prior consent by either the City or the BRA is required in the event of such transfer. Provided, however, that if the foreclosing lender subsequently sells or transfers the 281 Franklin Street Parcel to the current Owner or an Affiliate thereof, then a subsequent sale by the current Owner or Affiliate would be considered as a first Bona Fide Sale or Transfer and the provisions of Section 11(a) would apply.

The foregoing provisions shall not limit or impair the options of parties providing financing for the Project (or parties claiming by or through such parties) unless such party or parties becomes a Controlling entity.

- ii. any sale, transfer or assignment including, without limitation, sales, assignments and transfers by operation of law, by merger, or consolidation, or otherwise, but expressly excluding (1) a foreclosure or deed in lieu of foreclosure and any subsequent sale by a foreclosing lender (or its affiliate) to a third party not affiliated with Owner; (2) any such sale, transfer or assignment to an affiliate of the Owner as defined herein; and (3) any financing of any of the Owner's interest in the PILOT Parcel or Improvements thereon provided that said financing is provided by an unrelated third party not affiliated with the Owner who qualifies as an institutional lender.

Force Majeure Event: shall mean:

- i. A delay in or a failure of performance by Owner in the performance of their respective obligations under Section 8 of this Agreement, shall not constitute a default under this Agreement to the extent that such delay or failure of performance (i) could not be prevented by such Party's exercise of reasonable diligence and (ii) results from either (a) the other Party's failure to perform its obligations under this Lease, or the negligence or willful misconduct of the other Party or of its employees, agents, or others for whom such other Party is legally responsible; or (b) acts of God, fire or other casualty, war, terrorist acts, public disturbance and/or strikes or other labor disturbances not attributable to the failure of such Party to perform its obligations under any applicable labor contract or law and directly and adversely affecting such Party, unusual or extraordinary weather events, general unavailability of labor or materials affecting the construction industry in the greater Boston area; or (c) other causes beyond such Party's reasonable control including epidemics, pandemics and pandemic-related or other public health emergency or governmental regulations relating to same, such as

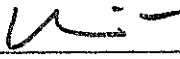
government-ordered shutdowns, distancing requirements, and supply-chain disruptions which prevent or materially adversely affect the ability to perform in a timely manner (a "Force Majeure Event"). The following shall, in no event, be deemed to be Force Majeure Events: inability to obtain financing; Owner's financial condition; inability to obtain Approvals; delays due to soil conditions which are known or foreseeable with the exercise of reasonable diligence; or delays of, or changes in, or cancellation of construction of roadways, transportation infrastructure and related improvements. Owner agrees to use commercially reasonable efforts to minimize the delay and other adverse effects of any Force Majeure Event.

- ii. Notice of Force Majeure Event. Owner shall provide prompt written notice in accordance with the provisions of Section 10 of this Agreement of any Force Majeure Event excusing its delay or non-performance after Owner first becomes aware of such condition or event. Owner shall keep the City and the BRA reasonably informed of any development pertaining to such Force Majeure Event.

15. Headings: The headings and captions of the paragraphs and sections of this PILOT Agreement are not to be considered a part of it and shall not be used to interpret, define, or limit the provisions hereof.

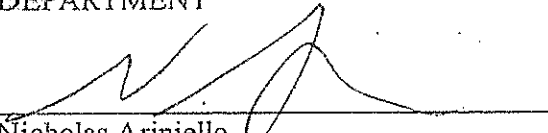
IN WITNESS WHEREOF, the CITY OF BOSTON has caused these presents to be signed in its name and behalf by Michelle Wu, Mayor, and Nicholas Ariniello, Commissioner of Assessing, the BOSTON REDEVELOPMENT AUTHORITY has caused these presents to be signed in its name and behalf by James Arthur Jemison, II, its Director, and 281 FRANKLIN STREET DEVELOPMENT LLC has caused these presents to be signed in its name and behalf by Adam Burns hereunto duly authorized.

CITY OF BOSTON



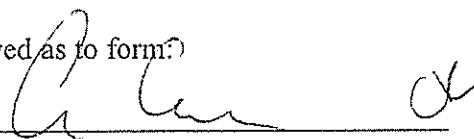
Michelle Wu, Mayor

CITY OF BOSTON ASSESSING
DEPARTMENT



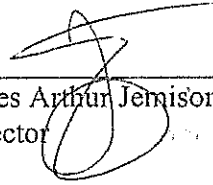
Nicholas Ariniello
Commissioner of Assessing

Approved as to form:



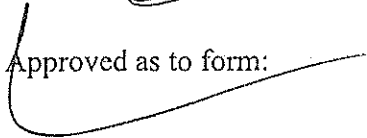
Corporation Counsel
Adam Cederbaum

BOSTON REDEVELOPMENT
AUTHORITY



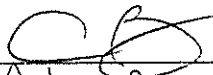
James Arthur Jemison II
Director

Approved as to form:



General Counsel
Lisa E. Herrington

281 Franklin Street Development LLC

By: 

Adam Burns
Its: President

Exhibit A

Schedule of PILOT Payments

Fiscal Year (The City of Boston's Fiscal Year Begins on July 1)	Applicable Reduction to Residential Component
2025 (yr. 1)	100%
2026 (yr. 2)	100%
2027 (yr. 3)	100%
2028 (yr. 4)	100%
2029 (yr. 5)	100%
2030 (yr. 6)	100%
2031 (yr. 7)	100%
2032 (yr. 8)	100%
2033 (yr. 9)	100%
2034 (yr. 10)	100%
2035 (yr. 11)	75%
2036 (yr. 12)	75%
2037 (yr. 13)	75%
2038 (yr. 14)	75%
2039 (yr. 15)	75%
2040 (yr. 16)	75%
2041 (yr. 17)	75%
2042 (yr. 18)	75%
2043 (yr. 19)	75%
2044 (yr. 20)	75%
2045 (yr. 21)	50%

2046 (yr. 22)	50%
2047 (yr. 23)	50%
2048 (yr. 24)	50%
2049 (yr. 25)	50%
2050 (yr. 26)	50%
2051 (yr. 27)	50%
2052 (yr. 28)	50%
2053 (yr. 29)	25%
29 yr. Average	75%

Exhibit B

Office Conversion Program Memo

(Attached Behind)

MEMORANDUM

October 12, 2023

TO: BOSTON REDEVELOPMENT AUTHORITY
D/B/A BOSTON PLANNING & DEVELOPMENT AGENCY
AND JAMES ARTHUR JEMISON II, DIRECTOR

FROM: PRATAAP PATROSE, SENIOR ADVISOR TO THE DIRECTOR
REUBEN KANTOR, SENIOR ADVISOR FOR STRATEGY AND OPERATIONS
JOHN WEIL, SENIOR PROJECT MANAGER FOR DOWNTOWN
CONVERSIONS

SUBJECT: REQUEST AUTHORIZATION (A) TO APPROVE THE DOWNTOWN OFFICE
TO RESIDENTIAL CONVERSION INCENTIVE PILOT PROGRAM AND (B) TO
ESTABLISH A DEMONSTRATION PROJECT PLAN AREA IN THE
DOWNTOWN AREA TO FACILITATE OFFICE TO RESIDENTIAL
CONVERSIONS.

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority (“BRA”), d/b/a the Boston Planning & Development Agency (“BPDA”) (i) approve the Downtown Residential Conversion Incentive Pilot Program and related procedures, and (ii) authorize a Demonstration Project Plan Area in the Downtown area to streamline the process and facilitate office to residential conversions.

Background

On July 10, 2023, Mayor Wu and the BPDA announced the proposed Downtown Residential Conversion Incentive Pilot Program (the “Residential Conversion Program”) for downtown office buildings. The goal of the Residential Conversion Program is to encourage and support owners of underutilized commercial office building space in converting such office buildings to residential uses.

In October 2022, the City of Boston (the "City") released "Revive and Reimagine: A Strategy to Revitalize Boston's Downtown" (the "Report"), prepared with assistance from the Boston Consulting Group, among others. The Report showed that Downtown office space vacancy rates were at approximately twenty percent (20%), and office occupancy rates hovered at under thirty percent (30%). There has also been a decrease in foot traffic in the area. Meanwhile, the Report cited residential real estate as a "potential bright spot" for Downtown, with demand nearing pre-pandemic levels, and recommended that the City consider supporting the conversion of Class B and C office space into residential uses.

Following the release of the Report, Downtown neighborhood planners facilitated several conversations with developers to gather information on interest in residential conversions and possible pathways to achieve more housing Downtown. The BPDA also retained HR&A Advisors Inc. to produce a report on the feasibility of office conversion in Downtown and the Financial District. This research suggests that partnership from the City, in the form of tax abatement, could be a financially feasible path forward for private development to complete residential conversions due to the current high interest rates and construction costs.

Conversion to residential uses of downtown offices spaces is an important response to post-pandemic economic and workforce shifts that appear to be long lasting. The Residential Conversion Program recognizes the benefits to increasing economic activity in Downtown Boston by increasing residential property use and takes an active step toward providing new options to owners of high-vacancy office space. Moreover, the Residential Conversion Program is intended to incentivize the creation of much-needed residential units.

The Residential Conversion Program

The Residential Conversion Program will offer successful applicants who wish to convert an existing commercial office building within the Plan Area¹ (defined below) to a residential use an average abatement of up to seventy-five percent (75%) of

¹ Proposed residential conversions outside of the Plan Area will be considered on a case-by-case basis.

assessed residential value for up to twenty-nine (29) years. It will also include fast-tracked processes for both Article 80 (including, only one public meeting for Large Projects that do not require a ZBA approval, and assistance with approvals from other city departments) and permitting (with the assistance of the Ombudsperson). The program will require adherence to the new Inclusionary Zoning standards as approved by the BPDA Board in July 2023 and to the recently adopted state energy Stretch Energy Code. It is anticipated that the BPDA will begin accepting applications on October 16, 2023. Applicants to the Residential Conversion Program must commit to pulling a full building permit and starting construction by October 31, 2025.²

Demonstration Project Plan and PILOT Agreements

In order to effectuate the Residential Conversion Program, the BPDA will use its "demonstration plan" powers under M.G.L. Ch. 121B, section 46(f), which allow the BPDA to "develop, test and report methods and techniques and carry out demonstrations for the prevention and elimination of slums and urban blight." The BPDA recommends establishing a Demonstration Project Plan Area as described in greater detail below (the "Plan Area"). Upon identification of viable and appropriate office-to-residential conversion projects within the Plan Area, the BPDA will seek Board authorization to (a) take a limited, temporary interest in the subject property, and (b) using its authority under M.G.L. 121B, section 16, negotiate and execute a contract for payment in lieu of taxes ("PILOT Agreement") with the proponent and the City of Boston that will memorialize the tax abatement for the property.

The Plan Area, as shown on Exhibit A and attached hereto, encompasses the Downtown/Financial District, Chinatown, the Bulfinch Triangle Historic District, the Leather District, and the Fort Point Channel Historic District. In light of high office vacancy rates and the resulting reduction in foot traffic within the Plan Area, the BPDA believes that it is necessary to use its demonstration plan powers as set forth herein to prevent urban blight. Incentives for office to residential conversions anywhere in the city outside of the Plan Area will be considered on a case-by-case

² The Residential Conversion Program is intended to support the renovation and conversion of existing buildings, not demolition and new ground-up construction.

basis. Residential uses are considered as-of-right in most of the proposed geography.

Solely for purposes of carrying out the Residential Conversion Program for proposed projects located within the Plan Area, the BPDA recommends that the following procedures be adopted:

1. All Demonstration Project applications submitted under the Residential Conversion Program must include: (1) a full description of the proposed office to residential conversion, including, without limitation, intended program use, detailed program information, financial narrative, and other relevant information; (2) a property description; (3) a zoning analysis; and (4) any other information relevant to the proposed Demonstration Project that meet the goals of the Boston Downtown to Residential Conversion Incentive Program;
2. Upon submittal of a Demonstration Project application that meets the requirements set forth in the preceding paragraph, BPDA shall review the project for appropriateness to the goals of the program, project feasibility, and ability to meet timeline requirements prior to proceeding forward. Once it has been determined that the project is feasible and meets the program goals, the applicant and the BPDA will enter into a 121B agreement. Projects that trigger Large Project review will follow the Article 80 process, including a minimum of one public meeting;
3. Once a project has received permitting from ISD to begin construction, direct abutters will be notified by the proponent 30 days prior to commencement of construction.

RECOMMENDATION

BPDA staff recommends that the Boston Redevelopment Authority (i) authorize and approve the Downtown Residential Conversion Incentive Pilot Program, including the procedures for authorizing and approving future demonstration projects in

connection therewith, (ii) authorize the establishment of the Demonstration Project Plan Area, generally encompassing the following neighborhoods: Downtown, Financial District, Chinatown, Leather District, Bullfinch Triangle, and a portion of Fort Point Channel, as consistent with the materials presented in this memorandum.

Appropriate votes follow:

VOTED: That, in order to prevent blight and urban decay due to high office vacancy rates in the Downtown neighborhoods, the Boston Redevelopment Authority is authorized to adopt the Downtown Residential Conversion Incentive Pilot Program, including related procedures for implementing such program, as presented to the Board at its October 12, 2023 meeting;

VOTED: That, in order to prevent blight and urban decay due to high office vacancy rates in the Downtown neighborhoods, the Boston Redevelopment Authority is authorized to establish the Downtown Conversion Demonstration Project Plan Area as shown on Exhibit A attached hereto and presented to the Board at its October 12, 2023 meeting.

BOARD APPROVED

32
DOC 8080

Exhibit A

Downtown Conversion Demonstration Plan Area



1:12,200

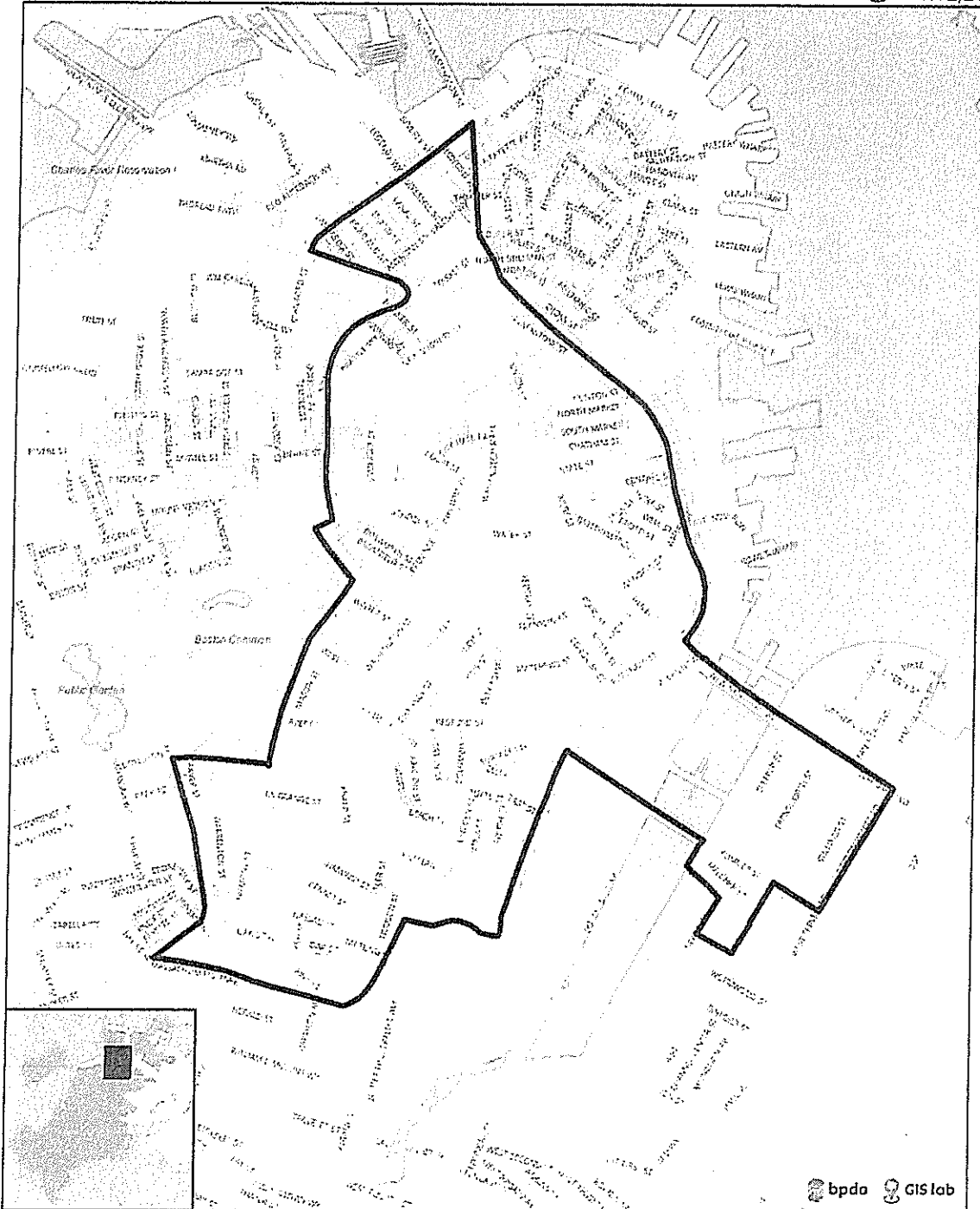


Exhibit C

BPDA Project Approval Memo

(Attached Behind)

MEMORANDUM

MARCH 14, 2024

TO: BOSTON REDEVELOPMENT AUTHORITY
D/B/A BOSTON PLANNING & DEVELOPMENT AGENCY (BPDA)
AND JAMES ARTHUR JEMISON II, DIRECTOR

FROM: CASEY HINES, DEPUTY DIRECTOR FOR DEVELOPMENT REVIEW
MICHAEL SINATRA, OMBUDSMAN
DYLAN NORRIS, PROJECT ASSISTANT

SUBJECT: 281 FRANKLIN STREET, DOWNTOWN

SUMMARY: This Memorandum requests that the Boston Redevelopment Authority d/b/a Boston Planning & Development Agency ("BPDA") authorize the Director to: (1) issue a Certification of Approval for the proposed development located at 281 Franklin Street in Downtown & Wharf District Neighborhood (as defined below, the "Proposed Project"), in accordance with Article 80E, Small Project Review of the Boston Zoning Code (the "Code"); (2) execute and deliver an Affordable Rental Housing Agreement and Restriction ("ARHAR") in connection with the Proposed Project; (3) Authorize the Director to enter into a Deed to take a real property interest in the 281 Franklin Property; and (4) enter into a Pilot Agreement for the Proposed Project, and to take any other actions, and to 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 on an approximately 2,140 square foot parcel of land at 281 Franklin Street in the Downtown and Wharf District neighborhoods of Boston (the "Project Site"). The Project Site is currently occupied by a six-story commercial building containing a ground-floor retail space currently occupied by

David's Instant Shoe Repair store and Mediterranean Grill Boston and five (5) upper-floors of office space.

DEVELOPMENT TEAM

The development team includes:

Proponent: Boston Pinnacle Properties
Adam Burns
John Beaty

Legal Counsel: Adams & Morancy, P.C.
George Morancy, Esq.

Architect: Balance Architects
Phillip Sima

Code Compliance
Counsel: Sullivan Code Group
Donald Contois

BACKGROUND ON PILOT PROGRAM

On October 30th, 2023, Boston Pinnacle Properties LLC (the "Proponent") applied to Mayor Wu's and the BPDA's Downtown Residential Conversion Incentive PILOT Program (the "Pilot Program"). The Pilot Program was authorized by the BPDA Board on October 12, 2023 ("October Board Vote") and offers to approved applicants a tax abatement in exchange for converting their underutilized office building into multi-family residential rental units. The October Board Vote authorized the creation of a Demonstration Project Plan Area in Downtown Boston (the "Plan Area") and the Plan Area establishes an area where the BPDA is able to act pursuant to Massachusetts General Law Chapter 121B ("Chapter 121B") and provide a contract for payment in lieu of taxes ("Pilot Agreement") pursuant to Chapter 121B. The Demonstration Project Plan Area was created and authorized to prevent blight and decadence stemming from the increased vacancy rate in the commercial real estate market and incentivize the transistion to housing of these units.

While the new City of Boston Inclusionary Zoning (“2024 IZ”) does not go into effect for all project types until October 1, 2024, in order to qualify for the PILOT program, the proponent must meet the 2024 IZ standards, which require that Seventeen Percent (17%) of all newly created units must be deed restricted affordable restricted for households making up to Sixty Percent (60%) of the Area Median Income (“AMI”), and an additional 3% of units must be available at HUD Small Area Fair Market Rent and reserved for voucher holders. Applicants must also comply with current Green Energy Stretch Goals, where applicable.

PROPOSED PROJECT

The Proponent seeks to renovate the interior of the existing six (6) story, approximately 12,834 gross square foot building that currently contains five (5) upper floors of under-used office space and ground floor retail. The upper five (5) floors of 281 Franklin Street (the “Proposed project”) will be converted from office space to now include fifteen (15) residential rental units, while maintaining the ground floor retail. Of the fifteen (15) rental units, nine (9) units will be studio units, six (6) units will be one-bedroom units. Five (5) rental units are designated as ADA group 2 units, ten (10) units will be designated as ADA group 1 units. The Proposed Project also will include an interior subsurface bicycle storage room with sixteen (16) bicycle spaces. The ground floor retail spaces of the Proposed Project will remain untouched and currently includes approximately 1,489 square feet of retail space.

The table below summarizes the Proposed Project’s key statistics.

<u>Estimated Project Metrics</u>	Proposed Plan
Gross Square Footage	12,834
Gross Floor Area	11,119
<i>Residential</i>	9,630
<i>Office</i>	0
<i>Retail</i>	1,489
<i>Lab</i>	0
<i>Medical Clinical</i>	0
<i>Education</i>	0
<i>Hotel</i>	0
<i>Industrial</i>	0
<i>Recreational</i>	0

<i>Cultural</i>	0
<i>Parking</i>	0
Development Cost Estimate	\$1,599,000
Residential Units	
<i>Rental Units</i>	15
<i>Ownership Units</i>	0
<i>IDP/Affordable Units</i>	3
Parking spaces	0

PLANNING CONTEXT

Launched in October 2023, the Downtown Residential Conversion Incentive Pilot Program “Downtown Conversion Program” aims to support owners and developers of older commercial office building space in converting to residential units. The Pilot Program was informed by both 1) the City of Boston’s October 2022 Downtown Revitalization Report which analyzed and made recommendations for downtown economic revitalization, as well as 2) the PLAN: Downtown planning process which recommended a downtown office conversion program as a key strategy for achieving the PLAN goals. In order to encourage new use of underutilized office space, the Downtown Conversion Program offers a tax abatement and a streamlined approval process to applicants who meet affordability and sustainability requirements. The Proposed Project is the first applicant for the Downtown Conversion Program, advancing key recommendations of the 2022 Downtown Revitalization Report and PLAN: Downtown.

ARTICLE 80 REVIEW PROCESS

On December 19th, 2023, the Proponent filed an Application for Small Project Review with the BPDA for the Proposed Project, pursuant to Article 80E of the Boston Zoning Code (the “Code”).

The BPDA sponsored and held a virtual public meeting on January 23rd, 2024, via Zoom for the Proposed Project & the Proposed PILOT agreement. The meeting was advertised in the Boston Guardian, posted on the BPDA website and a notification was emailed to all subscribers of the BPDA’s Downtown neighborhood update list. The public comment period ended on January 31, 2024.

ZONING

The Proposed Project is located in the Broad Street Protection Area subdistrict of the Government Center/Markets zoning district. The proposed Residential use is allowed per Section 45-14. The existing building at 281 Franklin Street exceeds the maximum height and floor area ratio per Section 45-5; however, the Proposed Project does not include any change to the building footprint or other increase or enlargement to the dimensional nonconformity, therefore the alteration of use is permitted per Section 13-3.

The Site is also located in the Greenway Overlay District, Groundwater Conservation Overlay District ("GCOD"), and Restricted Parking Overlay District.

The Proponent will be requesting relief from the Zoning Board of Appeal for the Groundwater Conservation Overlay District ("GCOD").

MITIGATION AND COMMUNITY BENEFITS

The Proposed Project will include mitigation measures and community benefits to the neighborhood and the City of Boston (the "City"), including:

- Revitalizing the downtown neighborhood by converting underutilized office space to on-site housing in the downtown, bringing foot traffic back to the neighborhood, generating a new customer base for downtown restaurants and shops, and creating a more vibrant downtown core.
- Exceeding Disability Commission standards and creating five (5) Group 2 designated ADA units and ten (10) Group 1 ADA designated units.
- The creation of a new at-grade ADA accessible entrance on private way off Franklin Street
- The creation of new housing units, including three (3) affordable units, 20% of proposed units in, accordance with the City's Inclusionary Development Policy;
- The expected creation of approximately twenty-five (25) construction industry jobs to complete the Proposed Project;
- Proposed building to be renovated to be in compliance with GCOD requirements.

- Meeting, where applicable, C.O.B Green Energy “Stretch Goals” and fully electrifying the utilities of the building; as required by the BPDA office to residential Conversion Program
- Electrification of existing HVAC systems using a high performance mini split system
- Electrification of Cooking and residential hot water where able
- The re-use of a vast majority of existing building components in order to minimize demolition waste and promote construction sustainability
- implementation of demolition waste management and recycling protocols
- Best efforts to achieve LEED compliance certifiability for modern energy efficiency standards of a building originally constructed nearly 150 years ago.

The Proposed Project and public realm improvements are subject to BPDA Design Review. The Project will continue to seek and be subject to any Public Improvement Commission approval where privately held areaways extend out under the public rights-of-way at the surface. A structural certification for these areaways should be completed as a part of the project to allow the City of Boston to make future accessibility improvements to the sidewalk surface over these privately held areaway. Accessibility improvements to the public right of way are not being contemplated as a part of this project.

INCLUSIONARY DEVELOPMENT POLICY

The Proposed Project is subject to the Inclusionary Development Policy, dated December 10, 2015 (the “IDP”) and is located within Zone A, as defined by the IDP. The IDP requires that 13% of the total number of units within the development be designated as IDP units. The project is further subject to the affordability requirements of the BPDA’s Downtown Residential Conversion Incentive PILOT Program dated July 10, 2023, which requires projects applying under the Pilot program to comply with the 2024 IZ requirements, or in this case, 20% of the total number of units within the conversion project must be designated as IDP units. In this case, three (3) units, or approximately 20% of the total number of units within the Proposed Project, will be created as IDP rental units (the “IDP Units”). Each of the three (3) IDP units will be made affordable to households earning not more than 60% of AMI, as based upon data from the United States Department of Housing and Urban Development (“HUD”) and published by the BPDA.

The proposed locations, sizes, income restrictions, and rents for the IDP Units are as follows:

Unit Number	Number of Bedrooms	Square Footage	Percent of Area Median Income	Rent	ADA/Group 2 Designation (if any)
3	One-bedroom	646	60% AMI	\$1,325	Group 2
5	Studio	455	60% AMI	\$1,130	Group 1
7	Studio	527	60% AMI	\$1,130	Group 1

The location of the IDP Units will be finalized in conjunction with BPDA and MOH staff and outlined in the Affordable Rental Housing Agreement and Restriction (“ARHAR”), and rents and income limits will be adjusted according to BPDA published maximum rents and income limits, 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 register the Proposed Project with the Boston Fair Housing Commission (“BFHC”) upon issuance of the building permit. The IDP Units will not be marketed prior to the submission and approval of an Affirmative Marketing Plan to the BFHC and the BPDA. Preference will be given to applicants who meet the following criteria, weighted in the order below:

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

Where a unit is built out for a specific disability (e.g., mobility or sensory), a preference will also be available to households with a person whose need matches the build out of the unit. The City of Boston Disabilities Commission may assist the BPDA in determining eligibility for such a preference.

An affordability covenant 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 BPDA option to extend for an additional period of twenty (20) years). The household income of the renter and rent of any subsequent rental of the IDP Units during this fifty (50) year period must fall within the applicable income and rent limits for each IDP Unit. IDP Units may not be rented out by the developer prior to rental to an income eligible household, and the BPDA or its assigns or successors will monitor the ongoing affordability of the IDP Units.

TERMS OF PILOT AGREEMENT

Based on BPDA staff review under Article 80 and review under the Pilot Program, the Proponent has been selected to receive a Pilot Agreement, based on the Pilot Program criteria. The Proponent will, upon approval by the BPDA Board, enter into a Pilot Agreement among the City of Boston (the "City") and the BPDA. If approved today, the City and the BPDA will provide the Proposed Project an average tax abatement of up-to seventy-five percent (75%) of the assessed residential value for a term of twenty-nine (29) years, terms which are consistent with the October Board Vote.

DEED CONVEYANCE

In order to comply with the rules and regulations under Massachusetts General Law Chapter 121B, Section 16, the BPDA must take an interest in the Project Site. To effectuate that, the BPDA and the Owner of the 281 Franklin Street will enter into a Deed agreement which conveys limited rights in the 281 Franklin Street property. Additionally, the Owner and the BPDA will enter into to indemnification agreement to ensure the BPDA does not have liability on the property.

RECOMMENDATIONS

BPDA staff recommends that, based on the foregoing, that the Director be authorized to: (1) issue a Certification of Approval for the Proposed Project; (2) execute and deliver an Affordable Rental Housing Agreement and Restriction ("ARHAR") in connection with the Proposed Project; ; (3) Authorize the Director to enter into a Deed to take a real property interest in the 281 Franklin Property; and (4) enter into a Pilot Agreement for the Proposed Project, and to take any other actions, and to execute any other agreements and documents that the Director deems appropriate and necessary in connection with the Proposed

Project.

VOTED: That the Director be, and hereby is, authorized to issue a Certification of Approval pursuant to Section 80E-6 of the Boston Zoning Code (the "Code"), approving the development at 281 Franklin Street in the Downtown neighborhood, proposed by Boston Pinnacle Properties (the "Proponent"), for the gut renovation of a six (6) story, approximately 12,834 gross square foot building that will include thirty (15) residential rental units and sixteen (16) interior bike parking spaces (the "Proposed Project"), in accordance with the requirements of Small Project Review, Article 80E, of the Code, subject to continuing design review by the BPDA; and

FURTHER VOTED: That the Director be, and hereby is, authorized to execute and deliver an Affordable Rental Housing Agreement and Restriction for the creation of three (3) IDP Units in connection with the Proposed Project; and

FURTHER VOTED: That the Director be, and hereby is, authorized to execute a Quitclaim Deed between the Boston Redevelopment Authority and 281 Franklin Street Development LLC for certain rights in the 281 Franklin Street Property; and

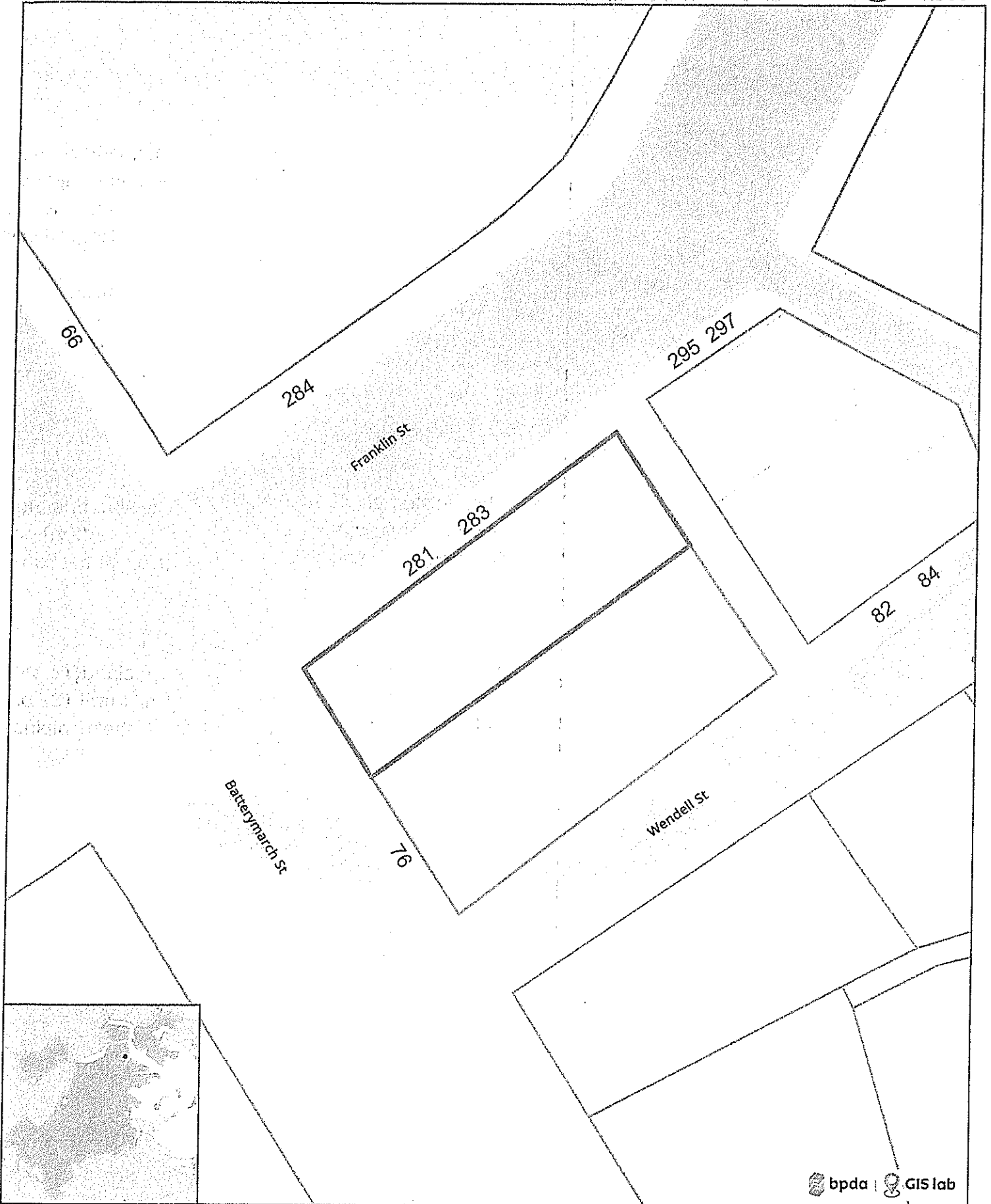
FURTHER VOTED: That the Director be, and hereby is, authorized to enter into the Pilot Agreement in connection with the 281 Franklin Street Project subject to terms and conditions consistent with this Board Memorandum and as the Director deems to be appropriate and necessary and in the best interest of the BRA;

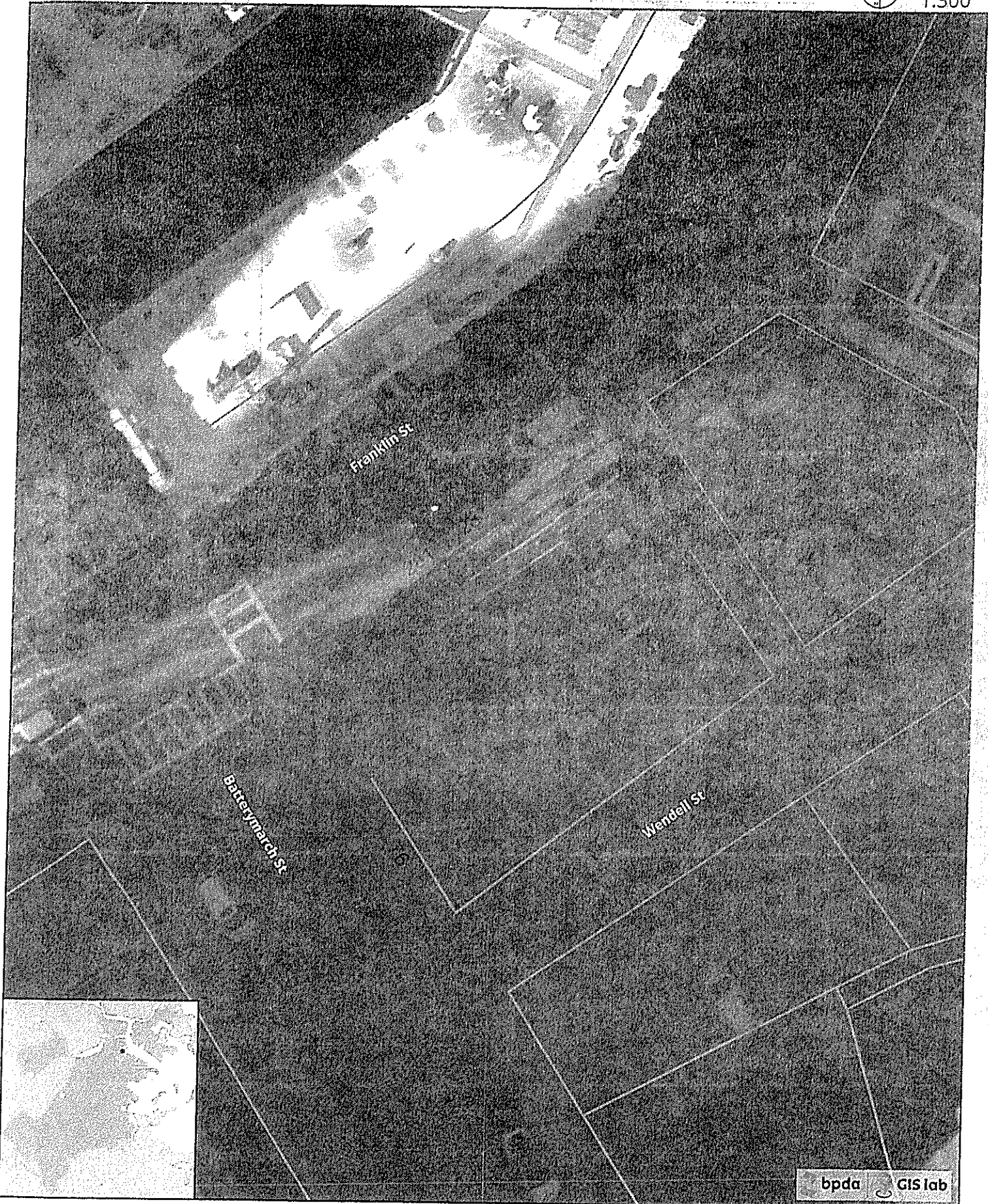
281 Franklin Street

281 Franklin Street



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CITY of BOSTON

Michelle Wu, Mayor

To: Dylan Norris, BPDA
From: Yang Yang, PWD
Date: 12/20/2023
Subject: 281 Franklin Street- Boston Public Works Department Comments

Included here are Boston Public Works Department comments for the 281 Franklin Street SPRA.

Project Specific Scope Considerations:

The developer shall reconstruct the existing sidewalks along the frontage of their building, including the sidewalk above the areaway on Franklin Street. The developer should reconstruct pedestrian ramps and crossings as needed, specifically those at Franklin Street and Battery March Street and Battery March Street and Wendell Street intersections.

Site Plan:

The developer must provide an engineer's site plan at an appropriate engineering scale that shows curb functionality on both sides of all streets that abut the property.

Construction Within The Public Right-of-Way (ROW):

All proposed design and construction within the Public ROW shall conform to PWD Design Standards (<https://www.boston.gov/departments/public-works/public-works-design-standards>). Any non-standard materials (i.e. pavers, landscaping, bike racks, etc.) proposed within the Public ROW will require approval through the Public Improvement Commission (PIC) process and a fully executed License, Maintenance and Indemnification (LM&I) Agreement with the PIC. Please note that the comments below are specific to proposed work within the Public ROW.

Sidewalks:

The developer is responsible for the reconstruction of the sidewalks abutting the project and, wherever possible, to extend the limits to the nearest intersection to encourage and compliment pedestrian improvements and travel along all sidewalks within the ROW within and beyond the project limits. The reconstruction effort also must meet current Americans with Disabilities Act (ADA)/Massachusetts Architectural Access Board (AAB) guidelines, including the installation of new or reconstruction of existing pedestrian ramps at all corners of all intersections abutting the project site if not already constructed to ADA/AAB compliance per Code of Massachusetts Regulations Title 521, Section 21 (<https://www.mass.gov/regulations/521-CMR-21-curb-cuts>). This includes converting apex ramps to perpendicular ramps at intersection corners and constructing or reconstructing reciprocal pedestrian ramps where applicable. Plans showing the extents of the proposed sidewalk improvements associated with this project must be submitted to the PWD Engineering Division for review and approval. Changes to any curb geometry will need to be reviewed and approved through the PIC.

Please note that at signalized intersections, any alteration to pedestrian ramps may also require upgrading the traffic signal equipment to ensure that the signal post and pedestrian push button locations meet current ADA and Manual on Uniform Traffic Control Devices (MUTCD) requirements. Any changes to the traffic signal system must be coordinated and approved by BTM.

All proposed sidewalk widths and cross-slopes must comply to both City of Boston and ADA/AAB standards.

The developer is encouraged to contact the City's Disabilities Commission to confirm compliant accessibility within the Public ROW.

Driveway Curb Cuts:

Any proposed driveway curb cuts within the Public ROW will need to be reviewed and approved by the PIC. All existing curb cuts that will no longer be utilized shall be closed.



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(617) 635-4900



Discontinuances:

Any discontinuances (sub-surface, surface or above surface) within the Public ROW must be processed through the PIC.

Easements:

Any easements within the Public ROW associated with this project must be processed through the PIC.

Landscaping:

The developer must seek approval from the Chief Landscape Architect with the Parks and Recreation Department for all landscape elements within the Public ROW. The landscaping program must accompany a LM&I with the PIC.

Street Lighting:

The developer must seek approval from the PWD Street Lighting Division, where needed, for all proposed street lighting to be installed by the developer. All proposed lighting within the Public ROW must be compatible with the area lighting to provide a consistent urban design. The developer should coordinate with the PWD Street Lighting Division for an assessment of any additional street lighting upgrades that are to be considered in conjunction with this project. All existing metal street light pull box covers within the limits of sidewalk construction to remain shall be replaced with new composite covers per PWD Street Lighting standards. Metal covers should remain for pull box covers in the roadway. For all sections of sidewalk that are to be reconstructed in the Public ROW that contain or are proposed to contain a City-owned street light system with underground conduit, the developer shall be responsible for installing shadow conduit adjacent to the street lighting system. Installation of shadow conduit and limits should be coordinated through the BPDA Smart Utilities team.

Roadway:

Based on the extent of construction activity, including utility connections and taps, the developer will be responsible for the full restoration of the roadway sections that immediately abut the property and, in some cases, to extend the limits of roadway restoration to the nearest intersection. A plan showing the extents and methods for roadway restoration shall be submitted to the PWD Engineering Division for review and approval.

Additional Project Coordination:

All projects must be entered into the City of Boston Utility Coordination Software (COBUCS) to review for any conflicts with other proposed projects within the Public ROW. The developer must coordinate with any existing projects within the same limits and receive clearance from PWD before commencing work.

Green Infrastructure:

The developer shall work with PWD, the Green Infrastructure Division, and the Boston Water and Sewer Commission (BWSC) to determine appropriate methods of green infrastructure and/or stormwater management systems within the Public ROW. The ongoing maintenance of such systems shall require an LM&I Agreement with the PIC. Effects of water infiltration with respect to the adjacent underpass structure and underground MBTA tunnels that may be negatively impacted by infiltration may impact the ability to install such systems and should be considered. Coordination with PWD and MBTA will be required.

Resiliency:

Proposed designs should follow the Boston Public Works Climate Resilient Design Guidelines (<https://www.boston.gov/environment-and-energy/climate-resilient-design-guidelines>) where applicable.



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CITY of BOSTON

Michelle Wu, Mayor

Please note that these are the general standard and somewhat specific PWD requirements. More detailed comments may follow and will be addressed during the PIC review process. If you have any questions, please feel free to contact me at jeffrey.alexis@boston.gov or at 617-635-4966.

Sincerely,

Jeffrey Alexis
Principal Civil Engineer
Boston Public Works Department
Engineering Division

CC: Para Jayasinghe, PWD
Todd Liming, PIC



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**Boston Water and
Sewer Commission**



980 Harrison Avenue
Boston, MA 02119-2540
617-989-7000

January 18, 2024

Mr. Dylan Norris, Project Manager
Boston Planning and Development Agency
One City Hall Square
Boston, MA 02210

Re: 281-285 Franklin Street, Boston
Small Project Review Application

Dear Mr. Norris:

The Boston Water and Sewer Commission (Commission) has reviewed the Small Project Review Application (SPRA) for the proposed redevelopment project located at 281-285 Franklin Street in downtown Boston. This letter provides the Commission's comments on the SPRA.

The proposed project is for a 6-story brick mixed-use building on an approximately 2,140 square feet lot. The project proponent, Boston Pinnacle Properties, proposes to convert the upper five (5) stories to residential use. The building will contain fifteen residential apartment units, 5 one-bedroom units and 10 studio units. The first floor retail use will remain. The conversion will add approximately 8,029 gross sq. feet of residential space.

The Commission owns and maintains water and sewer infrastructure in Franklin Street and Battery March Street. Water infrastructure servicing the subject property includes a 10-inch ductile iron, zinc coated cement (DACL) lined water main that was installed in 1994 and is on the Commission's Southern Low pressure system. Additional water mains include a 1994 16-inch DACL High Pressure Fire System pipe in Battery March Street, and two 2005 12-inch DACL pipes in Franklin Street, one on the Southern Low network and the other on the Southern High. The site is served by a 20x28-inch brick combined sewer pipe installed in 1874. The sewer flows north-westerly on Battery March Street.

The Commission has the following comments regarding the proposed project.

General

1. Prior to the initial phase of the site plan development, Boston Pinnacle Properties, should meet with the Commission's Design and Engineering Customer Services Departments to review water main, sewer and storm drainage system availability and potential upgrades that could impact the development.



2. All new or relocated water mains, sewers and storm drains must be designed and constructed at Boston Pinnacle Properties's expense. They must be designed and constructed in conformance with the Commission's design standards, Water Distribution System and Sewer Use regulations, and Requirements for Site Plans. The site plan should include the locations of new, relocated and existing water mains, sewers and drains which serve the site, proposed service connections, water meter locations, as well as backflow prevention devices in the facilities that will require inspection. A General Service Application must also be submitted to the Commission with the site plan.

3. The Department of Environmental Protection (DEP), in cooperation with the Massachusetts Water Resources Authority (MWRA) and its member communities, has implemented a coordinated approach to flow control in the MWRA regional wastewater system, particularly the removal of extraneous clean water (e.g., infiltration/inflow (I/I)) in the system. The Commission has a National Pollutant Discharge Elimination System (NPDES) Permit for its combined sewer overflows and is subject to these new regulations [314 CMR 12.00, section 12.04(2)(d)]. This section requires all new sewer connections with design flows exceeding 15,000 gpd to mitigate the impacts of the development by removing four gallons of I/I for each new gallon of wastewater flow. In this regard, any new connection or expansion of an existing connection that exceeds 15,000 gallons per day of wastewater shall assist in the I/I reduction effort to ensure that the additional wastewater flows are offset by the removal of I/I. Currently, a minimum ratio of 4:1 for I/I removal to new wastewater flow added is used. The Commission will require proponents to develop a consistent inflow reduction plan. The 4:1 requirement should be addressed at least 90 days prior to activation of water service and will be based on the estimated sewage generation provided on the project site plan.

4. The design of the project should comply with the City of Boston's Complete Streets Initiative, which requires incorporation of "green infrastructure" into street designs. Green infrastructure includes green spaces, such as trees, shrubs, grasses and other landscape plantings, as well as rain gardens and vegetative swales, infiltration basins, and paving materials and permeable surfaces. The proponent must develop a maintenance plan for the proposed green infrastructure. For more information on the Complete Streets Initiative see the City's website at <http://bostoncompletestreets.org>.

5. The water use and sewage generation estimates were not stated in the SPRA. The Commission requires that these values be calculated and submitted with the Site Plan. Boston Pinnacle Properties should provide separate estimates of peak and continuous maximum water demand for residential, irrigation and air-conditioning make-up water for the project. Estimates should be based on full-site build-out of the proposed project. Boston Pinnacle Properties should also provide the methodology used to estimate water demand for the proposed project.



6. The Commission will require Boston Pinnacle Properties to undertake all necessary precautions to prevent damage or disruption of the existing active water and sewer lines on, or adjacent to, the project site during construction. As a condition of the site plan approval, the Commission will require Boston Pinnacle Properties to inspect the existing sewer lines on site by CCTV after site construction is complete, to confirm that the lines were not damaged from construction activity.
7. It is Boston Pinnacle Properties's responsibility to evaluate the capacity of the water, sewer and storm drain systems serving the project site to determine if the systems are adequate to meet future project demands. With the site plan, Boston Pinnacle Properties must include a detailed capacity analysis for the water, sewer and storm drain systems serving the project site, as well as an analysis of the impacts the proposed project will have on the Commission's water, sewer and storm drainage systems.

Water

1. Boston Pinnacle Properties should explore opportunities for implementing water conservation measures in addition to those required by the State Plumbing Code. In particular, Boston Pinnacle Properties should consider outdoor landscaping which requires minimal use of water to maintain. If Boston Pinnacle Properties plans to install in-ground sprinkler systems, the Commission recommends that timers, soil moisture indicators and rainfall sensors be installed. The use of sensor-operated faucets and toilets in common areas of the building should be considered.
2. Boston Pinnacle Properties is required to obtain a Hydrant Permit for use of any hydrant during the construction phase of this project. The water used from the hydrant must be metered. Boston Pinnacle Properties should contact the Commission's Meter Department for information on and to obtain a Hydrant Permit.
3. Boston Pinnacle Properties will be required to install approved backflow prevention devices on the water services for fire protection, mechanical and any irrigation systems. Boston Pinnacle Properties is advised to consult with Mr. Larry Healy, Manager of Engineering Code Enforcement, with regards to backflow prevention.
4. The Commission is utilizing a Fixed Radio Meter Reading System to obtain water meter readings. For new water meters, the Commission will provide a Meter Transmitter Unit (MTU) and connect the device to the meter. For information regarding the installation of MTUs, Boston Pinnacle Properties should contact the Commission's Meter Department.

Sewage / Drainage



1. In conjunction with the Site Plan and the General Service Application Boston Pinnacle Properties will be required to submit a Stormwater Pollution Prevention Plan. The plan must:
 - Identify specific best management measures for controlling erosion and preventing the discharge of sediment, contaminated stormwater or construction debris to the Commission's drainage system when construction is underway.
 - Include a site map which shows, at a minimum, existing drainage patterns and areas used for storage or treatment of contaminated soils, groundwater or stormwater, and the location of major control structures or treatment structures to be utilized during the construction.
 - Specifically identify how the project will comply with the Department of Environmental Protection's Performance Standards for Stormwater Management both during construction and after construction is complete.
2. The Commission encourages Boston Pinnacle Properties to explore additional opportunities for protecting stormwater quality on site by minimizing sanding and the use of deicing chemicals, pesticides, and fertilizers.
3. Boston Pinnacle Properties must fully investigate methods for retaining stormwater on-site before the Commission will consider a request to discharge stormwater to the Commission's system. The site plan should indicate how storm drainage from roof drains will be handled and the feasibility of retaining their stormwater discharge on-site. All projects shall retain, on site, a volume of runoff equal to 1.00 inches of rainfall times the impervious area. Under no circumstances will stormwater be allowed to discharge to a sanitary sewer.
4. The Massachusetts Department of Environmental Protection (MassDEP) established Stormwater Management Standards. The standards address water quality, water quantity and recharge. In addition to Commission standards, Boston Pinnacle Properties will be required to meet MassDEP Stormwater Management Standards.
5. Sanitary sewage must be kept separate from stormwater and separate sanitary sewer and storm drain service connections must be provided. The Commission requires that existing stormwater and sanitary sewer service connections, which are to be re-used by the proposed project, be dye tested to confirm they are connected to the appropriate system.
6. The Commission requests that Boston Pinnacle Properties install a permanent casting stating "Don't Dump: Drains to Boston Harbor" next to any catch basin created or modified as part of this project. Boston Pinnacle Properties should contact the



Commission's Operations Division for information regarding the purchase of the castings.

7. If a cafeteria or food service facility is built as part of this project, grease traps will be required in accordance with the Commission's Sewer Use Regulations. Boston Pinnacle Properties is advised to consult with the Commission's Operations Department with regards to grease traps.

Thank you for the opportunity to comment on this project.

Yours truly,

John P. Sullivan, P.E.
Chief Engineer

JPS/apm

cc: K. Ronan, MWRA via e-mail
P. Larocque, BWSC via e-mail
P. Salvatore, BWSC via e-mail

Exhibit D

BPDA Acquisition Deed

(Attached Behind)

Quitclaim Deed

281 FRANKLIN STREET DEVELOPMENT LLC, a Massachusetts Limited Liability Company, having a mailing address at 599 E Broadway, Boston, Massachusetts 02127 (the "Grantor"), hereby grants to the **BOSTON REDEVELOPMENT AUTHORITY**, a body corporate and politic existing under Massachusetts General Laws Chapter 121B, as amended, doing business as the Boston Planning & Development Agency, with a principal office at One City Hall Plaza, 9th Floor, Boston, Massachusetts 02201-1007 (the "Grantee"), for and in consideration of Ten and 00/100 Dollars paid, with QUITCLAIM COVENANTS, the real property situated on 281 Franklin Street in the City of Boston, Suffolk County, Commonwealth of Massachusetts, as more particularly described on Exhibit A attached hereto and incorporated herein (the "Property"), which grant by the Grantor to the Grantee shall be subject to the Reserved Rights (as defined on Exhibit A). Such grant shall terminate on the Termination Date (as defined below).

This conveyance is made subject to and with the benefit of those easements, conditions, agreements, and restrictions of record at Suffolk County Registry of Deeds (the "Registry") insofar as the same are in force and applicable.

This is a conveyance for a term of years and shall commence on the date hereof and terminate on the date upon which that certain "Contract for Payment in Lieu of Taxes Entered Into by the City of Boston, the Boston Redevelopment Authority and 281 Franklin Street Development LLC" (the "PILOT Agreement") dated on or about the date hereof is terminated on June 30, 2053 (the "Termination Date"). At the end of the term of this estate, the interest of the Grantee in the Property hereby granted shall automatically terminate without the requirement for any payment of consideration to the Grantee by the Grantor or any other party, and any and all interests conveyed to the Grantee by this Quitclaim Deed shall revert automatically to the Grantor, its successors and assigns, with no further action required by any party.

Notwithstanding the foregoing, at any time from and after the Termination Date, or upon other termination of the term of the PILOT Agreement, the Grantor may record with the Registry (as defined below) an affidavit executed under the pains and penalties of perjury confirming the occurrence of the Termination Date or the termination of the term of the PILOT Agreement and the termination of the rights granted herein to the Grantee, without the necessity of any action by the Grantee. Upon the recording of such an affidavit, the interest of the Grantee in the Property shall be confirmed as having automatically terminated, without the requirement for any payment of consideration to the Grantee by the Grantor or any other party, and any and all interests conveyed to the Grantee by this Quitclaim Deed shall be confirmed as having reverted automatically to the Grantor with no further action required. Such an affidavit shall be conclusive evidence of the facts stated therein in favor of any party holding an interest in the

Property. As used herein, the term "Grantor" shall mean the Grantor and its successors and assigns as owner of the Property.

Notwithstanding anything herein to the contrary, all of the following are excluded from the Property and the property and rights granted by this Deed:

1. The right of possession.
2. All rights and obligations regarding the Owner's right to lease the Property including without limitation the right to collect rents, possess, alter and improve the Property.
3. All rights to incur mortgage financing as now or hereafter required to acquire or construct improvements to the Property, including without limitation, whether by the Owner or by its successors and assigns, to grant mortgages and other security instruments on the Property.
4. All rights of the Owner to sell the fee ownership in the Property subject to the rights of the Authority herein and retain the proceeds thereof and to otherwise receive revenue from the Property.
5. All rights of the Owner or its successors or assigns to construct, repair, and maintain any public improvements within the Property required by the Grantee's Board of Directors vote to approve the 281 Franklin Street Project on March 14, 2024 .
6. All rights of the Owner or its successors or assigns to construct, repair, and maintain subsurface improvements, including without limitation utilities and parking facilities within the Property, and to utilize the Property for construction staging as necessary for development on adjacent parcels.

The consideration for this conveyance being Ten Dollars (\$10.00), no deed stamps are affixed hereto.

For Grantor's title, see the following: (i) Deed from Franklin 281 Realty Partners LLC, dated February 20, 2024, recorded with the Registry, Book 69909, Page 21.

This conveyance does not constitute the sale or transfer of all or substantially all of the Grantor's assets within the Commonwealth of Massachusetts.

[Balance of page intentionally left blank; signature page follows]

EXHIBIT A

To

Quitclaim Deed from 281 Franklin Street Development LLC to the Boston Redevelopment Authority

28 Franklin Street, Boston, MA (**Assessor's Parcel 0304031000**)

The Land with the buildings thereon known as and numbered 281 to 285, both inclusive, on Franklin Street, situated in Boston, Suffolk County, Massachusetts, bounded and described as follows:

Northwesterly by Franklin Street, seventy eight and 31/100 (78.31) feet;

Southwesterly by Batterymarch Street, twenty seven and 70/100 (27.70) feet;

Southeasterly by land know or formerly of Kimball by a line through the middle of a brick party wall, seventy nine and 57/100 (79.57) feet;

Northeasterly by a common passageway, twenty six and 62/100 (26.62) feet;

Containing about 2,139 and 2/3 square feet of land.

The Reserved Rights

Notwithstanding anything herein to the contrary, all of the following are excluded from the Property and the rights conveyed by this Quitclaim Deed:

1. All rights and obligations regarding the right of the Grantor to possess, alter, improve, maintain, and operate the Property;
2. All rights and obligations of the Grantor to lease, license or otherwise grant possessory rights in and to the Property or portions thereof, and the rights and interests of any person or entity acting or claiming under, by, or through such lease, license, or other possessory agreement;
3. All rights of the Grantor and any lessee of the Property to incur mortgage financing as now or hereafter may be desired, including, without limitation, the rights of the Grantor and any such lessee to grant mortgages and other security interests in and on any of their respective interests in the Property. Such reserved right to incur mortgage financing includes, without limitation, the right from time to time to amend, restate, increase, extend and otherwise modify such mortgage financing, whether now existing or hereinafter incurred, and all instruments and other documents in connection therewith. The right to incur such mortgage

financing shall be retained only by the Grantor, and any successor or assign thereof, and the Grantee shall have no right to approve, allow or consent to such financing;

4. All rights of the Grantor to sell all or any part of its ownership interest in the Property (subject to the rights of the Grantee under the PILOT Agreement) and the right of the Grantor to retain the proceeds of such sale and to otherwise receive all revenue from the Property, from whatever source;
5. All rights of the Grantor to grant easements and other rights in and to the Property to facilitate the improvement, operation and/or maintenance of the Property or of property in the area of the Property;
7. The right of any owner of any interest in the Property to receive insurance proceeds due to casualty and/or condemnation; and
8. All rights of the Grantor under any permits or entitlements affecting the Property, including without limitation, the right to modify, amend or terminate any permit or entitlement, or to apply as applicant for any new permit or entitlement.
9. All rights of the Grantor to construct, repair, and maintain subsurface improvements, including without limitation utilities.