

DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT

Minutes

Public Facilities Commission
Department of Neighborhood Development
26 Court Street, 1st Floor, Winter Chambers
Boston, MA 02108

July 20, 2017

ATTENDING:

Katherine P. Craven, Chair
Lawrence D. Mammoli, Commissioner
Dion S. Irish, Commissioner
Angela D. Atchue, Senior Legal Officer and Acting PFC Secretary
Colleen M. Daley, PFC Secretary
Henry C. Luthin, First Assistant Corporation Counsel, Law Department
David Zuares, Assistant Corporation Counsel, Law Department
Sheila A. Dillon, Chief and Director, (Not Present)
Devin Quirk, Director of Operations
James McDonough, Senior Staff Attorney
Rick Wilson, Deputy Director of Finance
Philip Sweeney, Operations Manager, Administration and Finance
Bernard Mayo, Project Manager, Real Estate & Management Sales
James Smith, Senior Environmental Compliance Manager, Real Estate and Management Sales
Thomas Gannon, Housing Development Officer, Neighborhood Housing Development
John Feuerbach, Senior Development Officer, Neighborhood Housing Development
Todd Lee, Senior Workforce and Policy Analyst, Mayor's Office of Workforce Development
William Epperson, Senior Project Manager
Donald Wright, Deputy Director, Real Estate and Management Sales
Stefanie O'Shea, Workforce and Policy Manager, Mayor's Office of Workforce Development
Antoine DeRosa, DND Legal Intern
Joe Backer, DND Housing Lab Intern

Chair Craven called the meeting to order.

The minutes from the meeting of June 21, 2017 were presented to and approved by the Commissioners.

VOTE 1: Bernard Mayo, Project Manager, Real Estate Management and Sales

Conveyance to Cecilia Maya: Vacant land located at Wordsworth Street, East Boston, Massachusetts.

Purchase Price: \$5,700

Ward: 01
Parcel Number: 00557001
Square Feet: 486
DND Program: REMS Land Disposition
Use: Access to parking area
Assessed Value Fiscal Year 2017: \$5,700
Appraised Value: November 25, 2016: \$4,700
RFP Issuance Date: January 30, 2017

That having duly advertised its intent to sell to Cecilia Maya, an individual, with an address of 224 Arborway, Jamaica Plain, MA 02130, the vacant land located at Wordsworth Street (Ward 01, Parcel Number 00557001) in the East Boston District of the City of Boston containing approximately 486 square feet of land, for two consecutive weeks (June 12, 2017 and June 19, 2017) in accordance with the provisions of St. 1909, c.486, § 31B (as appearing in St. 1966, c.642, § 12), the Public Facilities Commission, pursuant to its vote of May 17, 2017 and subsequent approval by the Mayor, does hereby vote to sell the aforementioned property to Cecilia Maya; and

FURTHER VOTED: the Director be, and hereby is, authorized to deliver an instrument conveying said property to Cecilia Maya in consideration of Five Thousand Seven Hundred Dollars (\$5,700).

NOTE: Bernard Mayo addressed the Commission.

NOTE: Chair Craven asked, "Are there any questions from the Commissioners?"

NOTE: Commissioners Mammoli and Irish had no questions.

NOTE: On a motion duly made and seconded, the vote was unanimously approved.

Exhibits: Project background memorandum for the conveyance vote request; project background memorandum for the tentative developer designation vote request; map and photo.

VOTE 2: Bernard Mayo, Project Manager, Real Estate Management and Sales

Conveyance to Willow Ct, LLC: Vacant land located at Willow Court, Dorchester, Massachusetts.

Purchase Price: \$23,000

Ward: 07
Parcel Number: 03510000
Square Feet: 1,140
Future Use: Access to construction site and parking
Assessed Value Fiscal Year 2017: \$8,300
Appraised Value May 12, 2016: \$23,000
DND Program: REMS Land Disposition

RFP Issuance Date: January 30, 2017

That having duly advertised its intent to sell to Willow Ct, LLC, a Massachusetts limited liability company, with an address of 1451 Tremont Street, Boston, MA 02120, the vacant land located at Willow Court (Ward 07, Parcel Number 03510000) in the Dorchester District of the City of Boston containing approximately 1,140 square feet of land, for two consecutive weeks (June 12, 2017 and June 19, 2017) in accordance with the provisions of St. 1909, c.486, § 31B (as appearing in St. 1966, c.642, § 12), the Public Facilities Commission, pursuant to its vote of May 17, 2017 and subsequent approval by the Mayor, does hereby vote to sell the aforementioned property to Willow Ct, LLC; and

FURTHER VOTED: the Director be, and hereby is, authorized to deliver an instrument conveying said property to Willow Ct, LLC in consideration of Twenty Three Thousand Dollars (\$23,000).

NOTE: Bernard Mayo addressed the Commission.

NOTE: Chair Craven asked, "Are there any questions from the Commissioners?"

NOTE: Commissioners Mammoli and Irish had no questions.

NOTE: On a motion duly made and seconded, the vote was unanimously approved.

NOTE: Devin Quirk stated, "I would like to take a moment to thank Bernard for his work concerning votes one and two for turning properties that were not assets, nor had any use to the City, into revenue for the City."

Exhibits: Project background memorandum for the conveyance vote request; project background memorandum for the tentative developer designation vote request; site map and photo.

VOTE 3: James Smith, Senior Environmental Compliance Manager, Real Estate Management and Sales

Conveyance to Dotave Ventures LLC: Vacant land located at Alger Street, South Boston, Massachusetts.

Purchase Price: \$147,000

Ward: 07

Parcel Number: 00028001

Square Feet: 5,896

Future Use: Off Street Parking

Assessed Value Fiscal Year 2017: \$64,900

Appraised Values: December 2, 2016 (\$118,000) and March 7, 2017 (\$147,000)

DND Program: REMS Land Disposition

RFP Issuance Date: December 19, 2016

That having duly advertised its intent to sell to Dotave Ventures LLC, a Massachusetts limited liability company, with an address of 699 Boylston Street, 10th Floor, Boston, MA 02116, the vacant land located at Alger Street (Ward 07, Parcel Number 00028001) in the South Boston District of the City of Boston containing approximately 5,896 square feet of land, for two consecutive weeks (July 10, 2017 and July 17, 2017) in accordance with the provisions of St. 1909, c.486, § 31B (as appearing in St. 1966, c.642, § 12), the Public Facilities Commission, pursuant to its vote of May 17, 2017 and subsequent approval by the Mayor, does hereby vote to sell the aforementioned property to Dotave Ventures LLC; and

FURTHER VOTED: the Director be, and hereby is, authorized to deliver an instrument conveying said property to Dotave Ventures LLC in consideration of One Hundred Forty Seven Thousand Dollars (\$147,000).

NOTE: James Smith addressed the Commission and responded to their questions.

NOTE: Commissioner Mammoli asked, "Is that a rail track on the property? Are there title issues with the rail?"

NOTE: James Smith replied, "Yes. That is the dead end of Alger Street and the property begins after that. It's essentially an old railroad spur that the City's had in its inventory for a number of years."

NOTE: Commissioner Mammoli stated, "I know from doing eminent domain takings that railroad tracks have a long history of prior owners, rights and federal law."

NOTE: James Smith replied, "I don't believe there are any title issues concerning the railroad track."

NOTE: On a motion duly made and seconded, the vote was unanimously approved.

Exhibits: Project background memorandum for the conveyance vote request, project background memorandum for the tentative developer designation vote request, zoning map, assessor's map, aerial photo and site photo

VOTE 4: Thomas Gannon, Housing Development Officer, Neighborhood Housing Development

Conveyance to 206 WEST LLC¹: Vacant land located at 206-208 and 210-212 West Broadway, South Boston, Massachusetts.

¹ South Boston Neighborhood Development Corporation and Caritas Communities, Inc. formed a new business entity on March 28, 2017 known as 206 WEST LLC, a Massachusetts limited liability company. This new entity provided a certificate of good standing from the Massachusetts Secretary of State. Also, the Department of Neighborhood Development (DND) provided a current Massachusetts Secretary of State summary sheet with this information. In addition, DND provided complete and current property affidavits (i.e. LOOPS forms) for Caritas Communities, Inc., South Boston Neighborhood Development Corporation and 206 WEST LLC.

Purchase Price: \$200

Ward: 06

Parcel Numbers: 00288000, 00287000

Square Feet: 3,983

Use: Mixed use

Estimated Total Development Cost: \$4,620,892

Assessed Value Fiscal Year 2017: \$150,000

Appraised Value October 22, 2016: \$598,000

DND Program: Neighborhood Housing

RFP Issuance Date: June 20, 2014

That having duly advertised its intent to sell to South Boston Neighborhood Development Corporation and Caritas Communities, Inc., Massachusetts non-profit corporations, with an address of 365 West Broadway, South Boston, MA 02127, the vacant land located at:

206-208 West Broadway, Ward: 06, Parcel: 00288000, Square Feet: 2,028

210-212 West Broadway, Ward: 06, Parcel: 00287000, Square Feet: 1,955

in the South Boston District of the City of Boston containing approximately 3,983 square feet of land, for two consecutive weeks (April 3, 2017 and April 10, 2017) in accordance with the provisions of St. 1909, c.486, § 31B (as appearing in St. 1966, c.642, § 12), the Public Facilities Commission, pursuant to its vote of December 3, 2014, and, thereafter, amended on December 16, 2015 and December 15, 2016 and subsequent approval by the Mayor, does hereby vote to sell the aforementioned property to 206 WEST LLC, a Massachusetts limited liability company, with an address of 356 West Broadway, South Boston, MA 02127; and

FURTHER VOTED: the Director be, and hereby is, authorized to deliver an instrument conveying said property to 206 WEST LLC in consideration of Two Hundred Dollars (\$200).

NOTE: Tom Gannon addressed the Commission.

NOTE: Devin Quirk stated, "I, also, had the opportunity to attend these community meetings for this project. There has been a significant degree of community support, not just for the affordable housing units, which a lot of people see exactly the price points that a community needs, but, also, for filling the vacancy in the street scape, the blighted parcel, with a retail space. This project has been great, and Tom's leadership on the project has been part of it."

NOTE: Commissioner Irish stated, "Great job, well done. I have no questions."

NOTE: On a motion duly made and seconded, the vote was unanimously approved.

Exhibits: Project background memorandum for the conveyance vote request, project background memorandum for the tentative developer designation, project background memorandum for amendment one, project background memorandum for amendment two, map and photo.

VOTE 5: John Feuerbach, Senior Development Officer, Neighborhood Housing Development

Tentative Developer Designation and Intent to Sell to Boston Common Solutions, Inc.:

Vacant land located at various parcels in Dorchester, Massachusetts.

Purchase Price: \$2,500

Ward: 14

Parcel Numbers: Various

Square Feet: 128,402

Future Use: New Construction - Housing

Assessed Value Fiscal Year 2017: \$1,329,800 (total)

Appraised Values: June 20, 2016 and July 20, 2016: \$2,370,000 (total)

DND Program: Neighborhood Homes Initiative

RFP Issuance Date: March 20, 2017

That, having duly advertised a Request for Proposals to develop said properties, Boston Common Solutions, Inc., a Massachusetts corporation, with an address of 11 Lantern Lane, West Roxbury, MA 02132 be tentatively designated as developer of the vacant land located at:

105-107 Stratton Street, Ward: 14, Parcel: 03068000, Square Feet: 6,300

123 Stratton Street, Ward: 14, Parcel: 03071001, Square Feet: 2,935

127 Stratton Street, Ward: 14, Parcel: 03072000, Square Feet: 3,096

Stratton Street, Ward: 14, Parcel: 03073000, Square Feet: 856

26 Lyford Street, Ward: 14, Parcel: 03074000, Square Feet: 4,620

124 Callender Street, Ward: 14, Parcel: 03039000, Square Feet: 7,200

126 Callender Street, Ward: 14, Parcel: 03038000, Square Feet: 6,000

114-118 Floyd Street, Ward: 14, Parcel: 03081000, Square Feet: 10,400

133 Callender Street, Ward: 14, Parcel: 03079000, Square Feet: 4,500

137 Callender Street, Ward: 14, Parcel: 0308000, Square Feet: 5,001

17 Stratton Street, Ward: 14, Parcel: 03100000, Square Feet: 4,196

19 Stratton Street, Ward: 14, Parcel: 03101000, Square Feet: 4,197

21 Stratton Street, Ward: 14, Parcel: 03102000, Square Feet: 4,210

49 Stratton Street, Ward: 14, Parcel: 03111000, Square Feet: 4,863

17-19 Ashton Street, Ward: 14, Parcel: 03213000 Square Feet: 5,747

12 Ashton Street, Ward: 14, Parcel: 03188000 Square Feet: 4,900

Lucerne Street, Ward: 14, Parcel: 03509000, Square Feet: 4,435

93-95 Woodrow Avenue, Ward: 14, Parcel: 02999000, Square Feet: 3,750

97 Woodrow Avenue, Ward: 14, Parcel: 03000000, Square Feet: 2,600

82 Woodrow Avenue, Ward: 14, Parcel: 03695000, Square Feet: 6,652

86 Woodrow Avenue, Ward: 14, Parcel: 03694000, Square Feet: 6,628

Jones Avenue, Ward: 14, Parcel: 03709000, Square Feet: 6,346

9 Jones Avenue, Ward: 14, Parcel: 03710000, Square Feet: 6,422

23 Jones Avenue, Ward: 14, Parcel: 03714000, Square Feet: 6,337

27 Jones Avenue, Ward: 14, Parcel: 03715000, Square Feet: 6,211

in the Dorchester District of the City of Boston containing approximately 128,402 square feet of land for the period of 12 months from the date of the vote subject to such terms, conditions and restrictions as the Director deems appropriate for proper development of these parcels; and

FURTHER VOTED: Subject to the approval of the Mayor under St. 1909, c.486, § 31B (as appearing in St. 1966, c.642, § 12) that it is the intent of this Commission to sell the aforementioned property to Boston Common Solutions, Inc.;

AND, FURTHER, VOTED: That the Director be, and hereby is, authorized to advertise the intent of this Commission to sell the above described property in accordance with the provisions of Chapter 642 of the Acts of 1966 and the applicable statutory terms of M.G.L. c.30B, section 16.

NOTE: John Feuerbach stated, "I want to thank and recognize Kelly Shay, Senior Development Officer as well as Thomas McKay, Housing Development Officer, for taking the lead on this process."

NOTE: John Feuerbach addressed the Commission and responded to their questions.

NOTE: Chair Craven stated, "I look at the well prepared memorandum that underlies this initiative, and I notice none of the proposers offered more than \$2,500 for the project. There is a land subsidy that the City of Boston is giving and, again that assumes anybody would be willing to buy the land at this value. The subsidy is in the land and forgone is the cost of the appraised value, which is \$2,367,500. There are additional sources and uses for the total project cost from DND. It would be \$3.8 to \$3.9 million dollars in total subsidy." She then asked, "Is there anything in addition, which is not captured in the project background memorandum that is being

subsidized?” She then noted and further questioned, “For instance, there is debt that the developer is going to have to take out. Is there another program the City is subsidizing the debt through?”

NOTE: John Feuerbach stated, “No. In response to your question, I think you’ve outlined the two forms of subsidy, it’s the sales price. I think the reason why it’s so high is because it’s a product of twenty five parcels. Secondly, the DND subsidy is to support the affordable units. Those are accurate questions. One thing to note, when DND reviewed the proposals they received a very competitive, if not, one of the lowest average subsidy costs per unit. When you look at the \$1.4 million that DND is putting into the project, it comes out to \$55,000 per affordable unit. This is the lowest DND has had in all of the Neighborhood Housing Initiative (NHI) projects. The land subsidy is a product of the overwhelming number of parcels. When we’ve come before the Commission in the past, we have had relatively small projects. Therefore, the subsidy isn’t the blinking light that we see here, but what we are getting is a very good scale. We were trying to put out packages of RFPs that were small, medium and large sized to attract different types of developers and contractors. This was an opportunity for DND to combine parcels to attract a developer who would have the ability to do a large scale development. It looks a little bit more pronounced, but if we had broken them down into smaller parcels, I don’t think it would be the blinking light that it might appear right now.”

NOTE: Devin Quirk stated, “It’s important to note, what DND is subsidizing. DND is using City land and additional financial resources to subsidize the creation of middle and moderate income homeownership opportunities in our neighborhoods. To your point Chair Craven, these are parcels that may not get developed in the near future, or at all in the private market. Therefore, we are using City subsidies to, also, take blighted parcels and turn them into dearly needed homes for Boston’s middle and moderate income workforce.”

NOTE: Chair Craven asked, “Is the source of the DND subsidy from federal or City funds?”

NOTE: John Feuerbach replied, “City funds.”

NOTE: Chair Craven stated, “It comes down to about \$129,000, of which \$55,000 is the direct subsidy. And, you’re saying that is one of the lowest, which is admirable. It’s a big number to have that much subsidy per unit for the 30 units only, not including the eleven rental units. The PFC is on record discussing the subsidy because the public benefits are supposed to outweigh the private benefits.” She then asked, “Do other DND programs have a cap or ban on profit that the developer can make? Is there such a ban on profit for this project?”

NOTE: John Feuerbach replied, “Yes, all throughout the Neighborhood Homes Initiative program and in our request for proposal, it states 12.5%. If you look at this development, it’s approximately 12.5%.”

NOTE: Chair Craven asked, “Is it 12.5% profitability for the developer?”

NOTE: John Feuerbach replied, “Yes, 12.5% profitability for the developer and overhead. One other public benefit I would like to note, which is outlined in the memo, is these parcels have been in the City’s inventory for a fair amount of time. Five parcels have been in the inventory since 1970, sixteen parcels have been in the inventory since the 1980s, two parcels are from the 1990s, and two parcels

since 2000. Also, there hasn't been a market demand that would push these to enable DND to realize a market rate appraised value for the sites."

NOTE: Chair Craven stated, "That's good to know. For clarity purposes, these properties have been owned by the City for decades, and in some cases haven't proven marketable in any other fashion. So, it would be a public benefit to get them onto the City's tax roll and off of the City's maintenance expense. And, the City is providing homeownership opportunities for a targeted audience."

NOTE: Devin Quirk stated, "Unlike the other affordable housing that we are subsidizing across the City, the City's resources are the only resources for this development. DND can begin construction and the total price per unit, total subsidy is significantly less than our larger multi-family development that we are subsidizing elsewhere."

NOTE: Commissioner Mammoli stated, "I assume if you publicly advertised these parcels individually you wouldn't have received the same amount of housing opportunities, nor responses. I think this is a good idea in terms of putting out the whole package because it allows the developer to have cost efficiency on building multiple units on separate parcels. Also, it is a better means of construction rather than having each parcel put out by an individual entity. Again, one of the things I stress is getting the properties the City's owned for decades back on the tax rolls."

NOTE: Commissioner Irish stated, "I'm very happy with this project and initiative. I would like to congratulate the project team, Director Dillon and the department for the work that you're doing. It's tremendous. You've outlined many significant public benefits and, also, benefits that are unquantifiable. Creating thirty additional homeownership opportunities could have a generational effect on our residence. I congratulate the department."

NOTE: On a motion duly made and seconded, the vote was unanimously approved.

Exhibits: Project background memorandum, maps, photos and elevations.

VOTE 6: Todd Lee, Senior Workforce and Policy Analyst, Mayor's Office of Workforce Development

To authorize the Economic Development and Industrial Corporation of Boston to enter into contracts with various service providers for youth, social services and adult literacy programs.

Grant Amount: \$2,677,399

WHEREAS, the Public Facilities Commission, by virtue of Section (3)(f)(v) of Chapter 642, of the Acts of 1966, has the power and authority to make and execute all contracts necessary or convenient for the exercise and fulfillment of the Commission's powers and by virtue of Section (3)(f)(ii) of Chapter 642 of the Acts of 1966, has the power and authority to delegate any of its powers or functions to any other department or officer, or authority of the City of Boston or to any other public body politic and corporate incurring expenses which the City appropriates money to defray and each such officer, authority and public body is hereby authorized and

directed to accept such delegation and exercise the power and perform the function so delegated;
and

WHEREAS, the Chief of the Economic Development and Industrial Corporation of Boston be, and hereby is, authorized to request from the Mayor, in the name and on behalf of the Public Facilities Commission, written authority to enter into contracts with various service providers for Youth and Social Services and Adult Literacy programs as shown on Exhibit A and attached hereto, which are being funded under the Community Development Block Grant Federal Fiscal Year 2017 in the amount of Two Million Six Hundred Seventy Seven Thousand Three Hundred Ninety Nine Dollars (\$2,677,399) for the period of July 1, 2017 through June 30, 2018; and to execute such contracts, subject to review and approval as to form by the City's Corporation Counsel inclusive of all terms representing final negotiations in the name and on behalf of the Chief of the Economic Development and Industrial Corporation of Boston, upon receipt of said written authority from the Mayor; and

NOW, THEREFORE, BE IT VOTED: That the Chief of the Economic Development and Industrial Corporation of Boston be, and hereby is, authorized to accept and exercise the delegated powers and perform said responsibilities in accordance with all required approvals and applicable laws.

NOTE: Angela Atchue noted for the record that Commissioner Mammoli is an employee of the City's Economic Development and Industrial Corporation (EDIC). Commissioner Mammoli requested recusal from voting on the matter and abstaining from discussion of the vote as well. **See the July 20, 2017 disclosure memorandum from Commissioner Mammoli attached hereto.**

NOTE: Angela Atchue noted for the record that Chair Craven is in a non-compensated, volunteer position as a board member of the Dorchester Boys and Girls Club. She has had no involvement in the matters noted in the vote request, nor received any requests from anyone to vote in a particular fashion. Furthermore, Angela Atchue noted that Chair Craven has not engaged nor participated in the selection of the contract award recipients as presented to the Commission. **See the July 20, 2017 disclosure memorandum from Chair Craven attached hereto.**

NOTE: Angela Atchue then asked Chair Craven if there was anything to her knowledge that would prevent her from discussing or voting on the matter at hand.

NOTE: Chair Craven replied, "No."

NOTE: Angela Atchue advised that Chair Craven and Commissioner Irish have no conflicts of interest, nor appearances of the same, and they are able to participate in the discussion and vote on the matter being presented.

NOTE: Todd Lee addressed the Commission and responded to their questions.

NOTE: Chair Craven stated, "Thank you for your background memorandum and presentation." She then asked, "How many of the entities are new to the program this year as opposed to last

year?" She then noted, "There is a lot of consistency between the years, and I was just curious if there were any new entities."

NOTE: Todd Lee replied, "Actually, all of the programs being recommended for funding are currently funded."

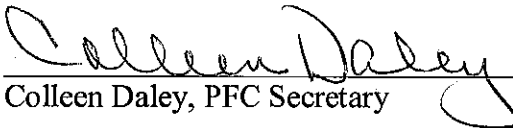
NOTE: On a motion duly made and seconded, the vote was unanimously approved.

Exhibits: Project background memorandum, award letter and contract recipient list. Individual disclosure notices for Commissioner Mammoli and Chair Craven.

NOTE: The July 20, 2017 Public Facilities Commission Meeting is available at the web address of https://www.cityofboston.gov/cable/video_library.asp?id=21321.

A True Record.

The meeting commenced at 9:57 a.m. and adjourned at 10:32 a.m.



Colleen Daley, PFC Secretary