

City of Chelsea
Economic Development Board
City Hall – Room 101
Chelsea, MA 02150
(617)889-8233

MEETING MINUTES

April 1, 2008

The meeting convened at 6:02p in the City Manager's Conference Room.

Present: Chairman Richard Pantano; Members James Bill and Jackie Ruiz, and City Manager Jay Ash. Also in attendance were representatives from JPI regarding the CROP development and DMG regarding the Chelsea Gateway development

MINUTES

Chrm Pantano postponed the approval of the minutes for the previous meeting.

PUBLIC SPEAKING

With no members of the public present and no one wishing to speak, Chrm Pantano opened, asked for and closed this portion of the meeting.

URBAN RENEWAL UPDATES

Chrm Pantano asked for updates on urban renewal matters. Mgr Ash said that DHCD has approved Amendment 3 on 2/13. With Amendment 3 approved, the LDA was submitted on 3/13, and approved by DHCD, which had been reviewing the draft for months, on 3/24. Mgr Ash congratulated the Board for its outstanding work in moving the JPI project to this point.

URBAN RENEWAL – Amendment 4

Chrm Pantano noted that JPI would soon make a presentation. Prior to that, he asked Mgr Ash to explain more about Amendment 4 to give the Board perspective as JPI made its presentation. Mgr Ash handed out Map 1B to the Board and pointed out which parcels were owned by the Board and which JPI had the right to purchase. He then read Amendment 4, as proposed.

Mr. Bill asked if the City parcels were buildable lots. Mgr Ash said they were not.

Chrm Pantano asked if JPI wanted to by the abutting Robinson property. Mgr Ash said JPI had no desire to go around the corner to buy any additional property. The acquisition of the City parcels would complete JPI's acquisition of the Heard Street frontage.

Mr. Bill asked if the Board could have done a Disposition 7 through a RFP. Mgr Ash said yes, but the lots weren't buildable and it has been the Board's desire to see JPI complete the block. Urban Renewal regs allow for the direct disposition without an RFP.

Chrm Pantano asked if the Robinsons had adverse possession of the property. Mgr Ash said no, public property cannot be acquired through adverse possession.

Chrm Pantano asked if the Robinsons had been contacted. Mgr Ash said they have received several letters and a meeting would be organized somewhere in the future.

Mr. Bill asked if the properties had any value. Mgr Ash said not separately. The value will be determined prior to the disposition.

Chrm Pantano interrupted the further discussion on Amendment 4.

URBAN RENEWAL – JPI

Chrm Pantano welcomed Mike Salguero and Doug Manz from JPI and asked them to update the Board on their development.

Mr. Salguero made the presentation. He referred the Board to an elevation dated April 1 "Exterior Elevation, Building One" which shows 280 units.

Mgr Ash said 280 units? Mr. Salguero said yes, the unit configuration allowed for 280 and the MEPA filing they are doing had a maximum of 285. The building has a parking deck and four stories above it. Across Heard Street is 4 story townhouses with parking under the building. The Lee parcels are subject to purchase as JPI wants to maintain the Maple corner. The buildings on Maple will remain, but the Heard Street buildings could be razed. The buildings that remain will have new facades, we will also change the windows.

Mgr Ash asked if the Lee properties were prefabbed. Mr. Salguero said they don't know yet. The units are not part of the 280 proposed. Six units in the Lee properties will be left. Four units may be replaced on the Lee & Chadis properties, and those won't be in the purchase price.

The main entrance to the main building is in the center of the block. That is good for the building and good for the street. First floor dens are being built in the garage on heard to give Heard more residential feel.

Mgr Ash asked if the dens have garage access. No. Mr. Salguero went on to review the first level plan and said a fitness center may face out to the road. There will be direct access decks in the court yard.

Mr. Bill asked if the Sixth Street corridor will be pedestrian friendly. Mr. Salguero said they wanted to soften it a bit, but there will be a loading dock just after the Rt1 on ramp.

Mr. Bill asked what the Rt 1 side living experience would be. Mr. Salguero said they have an acoustic engineer on board and it is being soundproofed.

Mr. Bill asked how there were more units being constructed. Mr. Salguero said the courtyard had been eaten into to double load the corridors. Access is into the courtyard. 10 units per floor around the courtyards. The unit mix is being tweaked with less 2 bedrooms in favor of one bedrooms and studios.

Chrm Pantano asked how the unit count has changed. Mr. Salguero said 5% of the units would be studios, 45% 1 bedrooms, 23% two bedrooms on flats, 27% duplex townhouses, some of which would be three bedrooms.

Chrm Pantano asked how much for rents. Mr. Salguero replied around \$1.90 s.f., with plenty of amenities, a court yard, fitness center, covered garage, trains, shopping, etc.

Mr. Bill asked if there would be any mixed use opportunities. Mr. Manz said they were looking at a convenience store, but there is one a block up the street. There could be a small, 1,800 s.f. space on the corner of Heard and Spruce.

Mr. Salguero said they are looking at the Building Impact program to get residents involved in volunteer groups.

Chrm Pantano thanked JPI for the presentation.

URBAN RENEWAL – Amendment 4

Chrm Pantano asked Mgr Ash to review Map 1B again, which he did.

MOTION: To adopt Amendment 4.

City of Chelsea - Economic Development Board
Everett Avenue Urban Revitalization and Development Project

Dated: April 1, 2008

Amendment No. 4

- WHEREAS, the Chelsea Economic Development Board (the "Board") has approved an urban renewal plan entitled the "Everett Avenue Urban Revitalization and Development Project" (the "Urban Renewal Plan"), which provides for the acquisition, clearance, rezoning, redevelopment and/or rehabilitation of decadent areas in the City of Chelsea (the "City"), and
- WHEREAS, the Massachusetts Department of Housing and Community Development approved the Urban Renewal Plan in accordance with the requirements of Mass. Gen. L. c. 121B on July 6, 1998, and subsequently amended by Amendment No. 1, adopted September 25, 2001, Amendment No. 2, dated December 13, 2005, and Amendment No. 3, adopted February 13, 2008 dated
- WHEREAS, in order to fully accomplish the objectives of the Urban Renewal Plan, the Board wishes to amend the Urban Renewal Plan to enable the Board to expand the boundaries of district to include six residential parcels in the district, those parcels being identified on the City of Chelsea tax maps as 55-13, 56-14, 56-15, 56-16, 56-24, 56-25 and as shown as Amended Map No. 1B – Revised Project Boundary Map, and

WHEREAS, the Board further wishes to designate two of those six parcels, 56-24 and 56-25, both of which are unbuildable lots whose ownership has been transferred by the City to the Board, into a new disposition area, entitled Disposition Parcel 7, as shown as Amended Map No. 9D – Disposition Map, and

WHEREAS, the inclusion of the six parcels in the proposed expanded district and the two parcels in the proposed Disposition Parcel 7 will better promote the maintenance and/or redevelopment of the parcels in a manner consistent with the abutting redevelopment of Disposition Parcel 5 proposed by JPI, its approved redeveloper, and

NOW, THEREFORE, the Board takes the following actions to amend the Urban Renewal Plan and create a new disposition parcel:

1. The Everett Avenue Revitalization and Development Project shall encompass all previously approved parcels and six new parcels, 55-13, 56-14, 56-15, 56-16, 56-24, 56-25, found on the City of Chelsea tax maps, with all reference to the Urban Renewal Plan area from this date forward being inclusive of said six parcels, and
2. There shall hereby be designated a Disposition Parcel 7, said district which shall include parcels 56-24 and 56-25 of the City of Chelsea tax maps.

ADOPTED BY THE CHELSEA ECONOMIC DEVELOPMENT BOARD BY A VOTE OF _____ ON APRIL 1, 2008 AND APPROVED BY THE DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT ON _____.

Offered by Mr. Bill, seconded by Ms. ^{RUIZ}Rodriguez. On the motion, the Board vote 3-0 in the affirmative, thereby approving Amendment 4.

URBAN RENEWAL – Chelsea Gateway

Chrm Pantano welcomed Kevin Saba. Mr. Saba said the development team was making substantial and full progress on the hotel project. Mgr Ash said the Board was being asked to remove the tentative from tentative designation so that Mr. Saba could get the remaining pieces of the development plan together. The term “designated developer” was critical in terms of lining up funding.

Chrm Pantano asked if a second hotel next to the Wyndham would be okay. Mr. Saba said that two hotels will be okay. The proximity to Logan Airport creates a hotel node and that the opposite to taking away business is likely to happen and it may instead attract more customer to the Chelsea marketplace.

Mr. Bill asked if the hotel would be a different product than the Wyndham. Mr. Saba said it should be and it will have a different flag.

Mgr Ash asked Mr. Saba about the status of financing and the timing of securing financing in this market. Mr. Saba responded that financing for this project was in good shape and that market conditions were favorable for this hotel.

Chrm Pantano asked if the shift of the hotel to the Palmer parcel would impact the design. Mr. Saba said just slightly, but the environmental was so bad on Lawrence that the shift was needed and that there will be separate ownership of that parcel.

Mr. Bill asked if taking the term tentative off really meant anything. Mr. Saba responded that it did, that they need to get a group to focus upon and prioritize this among forty other hotel projects they could be involved in.

MOTION: Beech Street Partners is hereby extend rights as designated developer for the redevelopment of Chelsea Gateway in the Everett Avenue Urban Renewal District, subject

to the negotiation and completion of a Land Disposition Agreement to be entered into by the parties on or before June 3, 2008.

Offered by Mr. Bill and seconded by Ms. Ruiz. On the motion, the Board voted 3-0 to adopt the motion, thereby issuing designated developer rights to Beech Street Partners.

OTHER

Mgr Ash noted that Alkermes had come across some misfortune, with its major partner, Lilly, pulling out of its pharma deal. It was unclear what the future meant for the Chelsea project, but it was not positive.

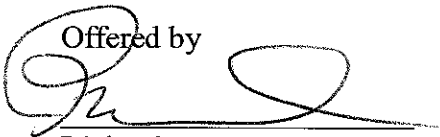
Mgr Ash also noted that the Simbolis have been market Emerald Block and appear to be back in the game for a major user.

MOTION: To adjourn.

Offered by Mr. Bill and seconded by ^{Ms. Ruiz} ~~Mr. Fraser~~. On the motion, the Board voted 3-0 to adjourn.

The meeting adjourned at 7:48p.

Offered by



Richard Pantano
Chairman