PARCEL 7 & 9 ADVISORY COMMITTEE

Convened by the Massachusetts Department of Transportation In Consultation with the Boston Redevelopment Authority

April 5, 2013

William Tuttle, Director Office of Real Estate Development Massachusetts Department of Transportation State Transportation Building at Ten Park Plaza Boston, MA 02116

RE: Parcel 7 & 9 Advisory Committee Preference Between the Two Parcel 9 Development Finalists

Dear Mr. Tuttle,

We begin with compliments to MassDOT for the entire public process of which the Parcel 7 & 9 Advisory Committee has been a part over the past two years and more. We particularly appreciate MassDOT requiring/allowing the two finalists to submit and present their updated proposals for the development of Parcel 9 in response to agency and community comments on their original submissions. Those comments include the perceived strengths and weaknesses of all four of the initial Parcel 9 developer proposals as discussed in the June 1st comment letter of the Advisory Committee as well as in subsequent letters from individual Advisory Committee members. We very much welcomed and appreciated the specific and definitive responses from the two finalists in the proposals that are now before us for our review and further comment. We also acknowledge and applaud the additional time, attention and expense that was involved in their doing so; and there is no doubt in our view that the proposals for the Haymarket Hotel and for the Blackstone Market have both been improved as a result of this iterative process.

This is the first – and last -- opportunity for the Advisory Committee as a whole to express a preference between these two proposals. In the first round, we were requested not to express any preference among the four initial submissions, but rather to provide our assessment of the strengths and weaknesses of each. We are now faced with a somewhat more difficult task because the members of the Advisory Committee represent a range of constituencies with many shared, but still distinct, perspectives and priorities. The purpose of these comments is to express our consensus, to the significant extent that there is a consensus, and to acknowledge those areas where there is a notable difference of emphasis, and perhaps even of preference.

Victor Brogna: North End/Waterfront Residents Association Otto Gallotto: Haymarket Pushcart Association Ryan Kenny: North End Neighborhood Council Claudio Kraus: Faneuil Hall Marketplace Daniel Nuzzo: North End Resident Robert O'Brien: Downtown North Association Tad Stahl: Beacon Hill Civic Association George Thrush: Northeastern University School of Architecture Kathryn West: Partners HealthCare Parcel 7 & 9 Advisory Committee April 5, 2013 Page 2 of 14

In this regard, we anticipate that some of the individual members of the Advisory Committee may also be submitting individual comment letters in which such differences will be more fully delineated. We hope and expect that these consensus comments will be generally compatible with what will be expressed therein; but our comments herein are not meant to preclude or replace any such additional comments by individual Advisory Committee members.

Worthy of particular note in this regard are the reservations of Advisory Committee Member Victor Brogna, who is Vice President of the North End/Waterfront Residents Association and Co-Chair of its Zoning, Licensing & Construction Committee. Mr. Brogna's evaluation of the strengths shown in the Haymarket Hotel's substantially revised proposal submitted in response to Addendum3, as well as his continuing and expressed concerns about the Blackstone Market submission – e.g., the size and location of the planned restaurants; proposed building heights and their interference with view corridors from the Kennedy Greenway and the North End; and some other elements of that submission -- preclude his endorsement of the Blackstone Market. Victor's complete rationale for this position is addressed in more detail in his separate comment letter; and the Advisory Committee respects his decision in this regard as well as the substance and thoughtfulness of the grounds on which it is based. We also acknowledge and applaud Victor Brogna's invaluable and informed contribution to the deliberations of the Committee over the more than two years of our tenure.

With that significant disclaimer, the other members of the Parcel 7 & 9 Advisory Committee hereby express their general preference for the Blackstone Market proposal and group over the Haymarket Hotel proposal and group for the redevelopment of Parcel 9. Our rationale for supporting the Blackstone Market proposal can be summarized as follows:

- The proposed Blackstone Market, in its entirety and in its various elements, adds substantially more to the development and enhancement of the Market District than does the proposed Haymarket Hotel.
- The designs and uses advanced in the Blackstone Market proposal also more fully reflect the surrounding communities than do those in the Haymarket Hotel proposal.

While our preference is a strong one, it is not without its qualifications, and the rationale for both our preference and our expectations are detailed below:

a). With Respect to a Hotel Use v. a Residential Use: Even if a hotel use is a beneficial one in a Boston Market District, such a hotel already exists directly across Blackstone Street from Parcel 9 in what is now the Omni Millennium Hotel. A second hotel in such close proximity to the first cannot and does not add appreciably to the variety and vitality of the Market District in the manner that a new residential element would.

A rental community that would be marketed and managed in the manner contemplated in the Blackstone Market proposal would provide a degree of social continuity and stability within the Market District that would not only be compatible with its other activities but should actually celebrate them -- including but not limited to the visible and vocal Haymarket Pushcart vendors. As has been shown elsewhere in Boston and throughout the world, those residents who would be attracted by the opportunity to live in a Market District would be its greatest champions for reasons and in ways that an inherently more transient and tourist-oriented hotel clientele cannot possibly appreciate or replicate.

Beyond the notable and very relevant fact that Parcel 9 was only recently zoned for housing, additional affordable and market rate housing units are still more needed in Downtown Boston than are additional hotel rooms. The addition of a residential component to the Market District would create a combination retail, restaurant and residential uses that is characteristic of major elements of the adjacent North End, Beacon Hill and Bulfinch Triangle neighborhoods. Those similarities of function as well as form would foster natural connections among the surrounding downtown communities that another hotel simply would not.

b). With Respect to the Nature and Scope of Proposed Parcel 9 Retail Uses: In their oral presentations, both the Blackstone Market and the Haymarket Hotel groups emphasized the importance of first-floor retail uses on Parcel 9 that complement the other existing and planned food-oriented uses in the Market District. Those primarily include the lower-cost produce sales that have long been the province of the Haymarket pushcart vendors as well as the higher-cost Massachusetts grown, raised and crafted agricultural products to be sold in the Boston Public Market. The retail uses on Parcel 9 would fit between those price points and product mixes; and each of these elements would serve a distinct Market District purpose, one that supports and supplements its retail counterparts and neither duplicates nor competes with them.

The relative importance that each of the proponents assigns to the first floor market-related retail functions on Parcel 9 is revealed in part by the amount of space that each devotes to this purpose – i.e., to the size of the so-called market hall. It is worthy of note that as described in their most recent submissions, the 8.7Ksf market hall planned for the Haymarket Hotel is less than half the size of the 18.5Ksf market hall planned for the Blackstone Market. Based on the program take-offs provided by the proponents – see attached -- in the Haymarket Hotel proposal something less than 40% of the total first-floor area will be devoted to a market hall; whereas in the Blackstone Market proposal, something more than 70% of their first floor area will be devoted to a market hall and contiguous retail sale. The much larger market hall in the Blackstone Market proposal obviously provides correspondingly greater potential for Parcel 9 to add to both the scale and the diversity of the special Market District retail experience.

In this regard, we would emphasize the importance of these general merchandising principles and distinctions for the successful and synergistic operation of the Market District, and more particularly, the need to incorporate those principles and distinctions in the MassDOT lease with the Parcel 9 developer. This is a concern in part because there was reference in the oral presentations to the prospect of one-stop shopping with the ability to purchase non-food items such a toilet paper, for example. The Advisory Committee feels very strongly that the sale of non-food-oriented products is not appropriate on Parcel 9 or elsewhere in the Market District. The Market District is not intended to be an effective substitute for a supermarket, which many of us in the community have long been working to establish elsewhere in the nearby downtown neighborhoods.

We would finally note the statement in the Haymarket Hotel submission that they "have had several meaningful discussions with Boston Public Market Association (BPMA) representatives to make our Market Hall available to BPMA for expanded square footage for their operations. The BPMA may need additional space as the Market evolves and we have offered to make parts or all of the Market Hall area available to BPMA at market rate rent." In our view, such a strategy would completely miss the point of the Market District. Something quite distinct and special should happen in the Parcel 9 market hall, something that does not happen either on Blackstone Street or on Parcel 7; and that has been a guiding rule for the Parcel 7 & 9 Advisory Committee, as well as MassDOT and the BRA, from the outset.

It is also premature to suggest or assume that the Boston Public Market will be so successful on Parcel 7 that it would or should seek to expand in the foreseeable future, since there is still some concern as to when and how the Boston Public Market will be financed, organized and operated on Parcel 7 itself. While we strongly believe that the success of the Market District as a whole depends on the success of each of its elements, most certainly including the Boston Public Market, that does not in any way imply our desire for the success of the Boston Public Market to subsume or replace any of those other elements of the Market District.

c). With Respect to the Nature and Scope of Proposed Parcel 9 Restaurant Uses: This is clearly an area of both a notable difference of use between the two proposals and also a notable difference of perspective within the Advisory Committee. As previously noted, the size and location of the restaurants remains one of Victor Brogna's major concerns with the Blackstone Market submission. On the one hand, the Haymarket Hotel proposal contemplates a first-floor restaurant of less than 100 seats as shown in the written proposal and possibly as few as 40-50 seats as described in their oral presentation. This facility would be open to the public, but would primarily be available to hotel guests for breakfast, lunch and dinner service. On the other hand, the Blackstone Market proposal contemplates up to three second-floor restaurants, with combined seating of between 400 to 500 seats, of which approximately 20% would involve seasonal outdoor dining on adjacent restaurant decks/terraces that overlook Blackstone Street and/or the Kennedy Greenway.

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 5 of 14

As described in their updated proposal, the restaurants planned by the Blackstone Market group are intended to be an extension of the Market District retail experience and indigenous to this unique Market District location. Menus would feature produce and other food products from throughout the Market District as a whole and there would likely be connections between one or more of these restaurants and the first-floor market hall. They would be "chef-driven" with an emphasis on local ownership and management that would appeal to local and regional residents and to visitors who are looking for a dining destination that is characteristic of Boston.

In our view, the significant upside of the Blackstone Market restaurant strategy is that it clearly has the potential to expand and enhance the scale and ambience of the Market District to an extent that is not possible with the more limited and isolated restaurant facility planned by the Haymarket Hotel. From a community perspective, there is a potential downside to such larger restaurant facilities; and that concern has been well expressed in public meetings and in written correspondence by some of the North End representatives on the Advisory Committee and by others from the North End neighborhood. Their concerns have primarily focused on four issues, particularly related to the Blackstone Market proposals:

- 1. The Tourist-Oriented Focus of the Proposed Restaurants: As was made quite clear in the 2009 Market District Feasibility Study commissioned by the BRA, restaurant facilities within the Market District should not be primarily tourist-oriented. In response to specific community comments in this regard, the updated Blackstone Market proposal amplified and clarified their restaurant plans in ways that explicitly addressed these concerns, as referenced above, by emphasizing the inherent links between these restaurants and the other elements of Parcel 9 and the Market District as a whole, and their intended appeal to local and regional residents, in addition to any tourist appeal.
- 2. The Number and Size of These Restaurants: Concern has been raised by some about the number of Blackstone Market restaurants that are proposed, and more importantly, the number of restaurant seats that are planned, presumably with liquor licenses. To put this into local context, the number of liquor-licensed bar and restaurant seats in the adjacent North End is now approaching 9,000, which is approximately the residential population of the North End itself.

While both the initial and the updated Blackstone Market proposals suggest that there will be "up to" three restaurants, the most recent proposal specifically indicates that there could be some combination of the facilities as now shown. In any case, it is likely that 400 to 500 new licensed restaurant seats would be involved in one to three second-floor locations.

For the sake of comparison, the two well-known and well-established restaurants that were cited in the Blackstone Market proposal as examples of the type of restaurant legacy that they will be trying to create on Parcel 9 are Durgin Park in Faneuil Hall Marketplace and the Union Oyster House, elsewhere in the historic Blackstone Block. Based on their own reports, the former has a licensed seating of 280 and the latter of 567, which alone is larger than the proposed capacity of all of the Blackstone Market restaurants combined.

While these are clearly relevant issues at this stage in the process, how many restaurants and how many restaurant seats will ultimately be included on Parcel 9 are not matters that will be decided by this development designation. Those issues, as well as related matters such as hours of operations for the interior and exterior spaces, can only be fully and finally determined through city licensing hearings, which must and will take these understandable community concerns into serious account.

3. The Extent of Outdoor Restaurant Seating: As now proposed, the three restaurants planned for the Blackstone Market would have a significant amount of seasonal outdoor seating on outdoors decks or terraces overlooking Blackstone Street and/or the Kennedy Greenway. Clearly, this proximity to the street can expand and enhance the Market District experience of these restaurant patrons; but such outdoor seating might also involve more issues of ambient noise, for example, particularly if alcohol service is involved. Again, this is both an issue and an opportunity that is not relevant to the Haymarket Hotel proposal, which does not plan any outdoor seating.

In their updated proposal, the Blackstone Market group emphasizes that outdoor seating will be restricted to "seated dining" that is "not expected to generate the high volumes of sound that a bar or similar establishment might produce". We take this to mean that there will not be alcohol service on these outdoor decks or terraces except in conjunction with food service; and we strongly support that approach, which would likely minimize the potential for adverse community impacts. Outdoor seating across the city is also routinely subject to earlier closing hours; and that is expected to be the case for these restaurants.

In any case, it is hereby noted that food and alcohol service in these outdoor venues would require continuing attention by these restaurant operators and their staffs so as to preclude and/or remedy any such problems if and when they might occur. And this sort of sensitivity to the quality and tranquility of life in adjacent neighborhoods, particularly the North End, needs to be an integral element of both the marketing and the management of any proposed Market District restaurants.

4. **The Reliability of Initial Restaurant Commitments:** While the members of the Advisory Committee have been reassured by the specificity provided in the most recent proposals with regard to the quality and character of the restaurants being proposed for the Market

District, there remains a concern about whether and how that quality and character can and will be maintained over time. We are all acutely aware of how the original and compelling concept for Faneuil Hall Marketplace was compromised and diluted over time; and what was initially envisioned and implemented as a uniquely Bostonian urban venue gradually became indistinguishable from the national franchise format that is offered anywhere and everywhere across the country. That concern certainly applies to the Market District restaurants; but it also applies to the concept for the Market District as a whole.

To that point, we would again emphasize the relevance and role of an effective Market District governance structure. Beyond any licensing covenants and conditions, such a participatory and enduring oversight/coordination structure would provide the most reliable mechanism for assuring that the Market District, including but not limited to its restaurants, will remain true to its initial mission and can identify and remedy problematic departures from their initial commitments.

With due regard to the importance and relevance of North End neighborhood concerns, there remains a strong sentiment by many, though not all, members on the Advisory Committee that the type of restaurants that are being proposed for Parcel 9 by the Blackstone Market group would add substantially to the variety and vitality of the Market District experience and would also provide dining options that would be most attractive to local and regional residents. And if so, while the size and siting of the restaurant planned for the Haymarket Hotel may have less potential downside in terms of North End neighborhood, it also has less potential upside for the character of the Market District.

On balance, we remain confident that the Market District upside can be enhanced while the neighborhood downside can be controlled as the planning, permitting, licensing and oversight for the Parcel 9 restaurants continue to evolve. Among other considerations, the North End is now separated from the nearest Market District restaurants by the Kennedy Greenway parks, which we believe should minimize their adverse aural and visual impacts for that important neighborhood; and the members of the Advisory Committee certainly pledge to work with the community, with the designated developer and with other interested parties to assure that sort of optimal outcome, now and in the future.

d). With Respect to Blackstone Street Improvements and Related HPA Commitments:

We commend both proponents for the scope and specificity of their funding and their other contributions to major improvements in the design and use of a tabled Blackstone Street by the HPA pushcart vendors. Their commitments include logistical and financial commitments that will assure the future adequacy and affordability of HPA trash handling and disposal systems as well as the utility and other infrastructure and equipment upgrades that will enhance the efficiency, effectiveness, cleanliness and appearance of HPA operations. All of which are based on maintenance of the existing three-aisle HPA vendor configuration, which was initially

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 8 of 14

illustrated in the first Haymarket Hotel submission. As a result of HPA input and MassDOT specifications, all of these improvements have become essential requirements for any Parcel 9 development submission; and that positive outcome is hereby acknowledged and applauded.

e). With Respect to Comparative Architecture and Urban Design: The most obvious and major change in the updated Haymarket Hotel proposal was the reconfiguration of their project massing, consolidating the hotel structure more toward the North Street end of Parcel 9 and creating a more distinct market hall element that occupies a significant portion of the Hanover Street end of the site. While there has been a notably mixed Advisory Committee reaction to the actual design of that structure as now illustrated, there has been quite favorable Advisory Committee reaction to the welcome change in massing in response to community comments. In contrast, other than the anticipated addition of two residential floors, there has not been any significant change in either the design or massing of the Blackstone Market proposal. Both of these aspects of their initial proposal had been commended in the June 1st Advisory Committee comment letter as among the great strengths of their first submission; and we continue to view them very favorably.

It should also be noted that while the massing of the Haymarket Hotel proposal has moved significantly in the direction of the initial Blackstone Market design, the hotel structure still extends much farther down Blackstone Street than does the comparable residential structure and, as previously noted, its market hall element is considerably smaller in area despite its greater visibility. Moreover, the architecture of the Blackstone Market proposal continues to be viewed as more appropriate, attractive and contextual in this very historic and visible site than does the Haymarket Hotel design.

We understand that the final architecture and design of any Parcel 9 proposal will undergo further review and likely refinement and revision as it progresses through the BRA Article 80 and related Boston Civic Design Review processes. But the Advisory Committee remains convinced that the Blackstone Market submission not only got the Parcel 9 architecture and urban design right the first time, but that they still have much the better of it at this stage.

f). With Respect to the Importance of Haymarket Pushcart Association Support: The Parcel 9 development guidelines make quite clear the critical role that the Haymarket pushcart vendors play as the economic, historical and symbolic foundation on which the Market District is built. It is likewise clear that the future success of the Market District will surely depend on the continuing support, cooperation and success of the Haymarket Association (HPA), which has long and effectively represented the interests of the Haymarket pushcart vendors. HPA has made it abundantly clear that they support the Blackstone Market proposal over that of the Haymarket Hotel group. That support is reflected in and reinforced by their written and exclusive agreement with the Blackstone Market group that stipulates the various reciprocal commitments on which HPA support for the Blackstone Market proposal depends in part.

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 9 of 14

In the March 20th community presentations of the two updated proposals, representatives of the Haymarket Hotel group suggested that this agreement was negotiated outside of the established public process and was otherwise inappropriate and untimely. The Parcel 7 & 9 Advisory Committee does not agree with that assertion.

It has been very clear since well before the Advisory Committee process began more than two years ago that HPA satisfaction with the outcome of this process would be an essential standard of its success. Two of the longstanding and public requirements of HPA satisfaction have been the need for reliable and long-term Parcel 9 developer assurances on affordable trash collection and non-competition on the merchandising front. Those are among the major principles of the HPA/BMG agreement; and it is neither unexpected nor inappropriate for HPA to detail and document those assurances with whatever group it chooses to support. And that is what has happened in this case.

In our view, this agreement is evidence of HPA support for the Blackstone Market proposal and the absence of HPA support for the Haymarket Hotel proposal. And while the Haymarket Hotel group was clearly willing to negotiate such an agreement with HPA, HPA was clearly not willing to negotiate such an agreement with HPA does not support their proposal. The agreement with HPA obviously provides the Blackstone Market with a competitive advantage; and it one that was likely strengthened as a result of the oral presentations and the related exchange between HPA and the Haymarket Hotel group But that is at it should be given the importance of HPA support throughout the Parcel 9 planning and development process – and well beyond.

g). With Respect to the Value of Support from Elected Officials: It is noted that the Blackstone Market Group proposal has also received the endorsement of elected officials at the state and city level from communities represented on the Advisory Committee. They include, but are not necessarily limited to, our State Senator Anthony Petruccelli, our State Representative Aaron Michlewitz and our District City Councilor Salvatore LaMattina. If and when MassDOT selects the Blackstone Market group team to develop Parcel 9, such political support should prove most helpful as project moves forward from there; and it will also be useful in assuring that the developer selected will proceed in a manner that is beneficial to their communities and their constituents.

h). With Respect to a Market District Governance Structure: The concept of an overall governance structure for the Market District as a whole has been a continuing theme of the Parcel 7 & 9 Advisory Committee; and we are most encouraged to see that it was reflected in the Blackstone Market proposal. As previously suggested, the purpose of such an organization would be to coordinate the individual parts of the Market District into a synergistic whole that is greater than the sum of its parts, to manage and mediate the innumerable internal and external issues and opportunities that will arise in that context, and to assure that the original mission

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 10 of 14

of the Market District and its various elements is sustained, strengthened and appropriately refined over time. To that end, such a Market District governance structure must represent not only its functional components but also the communities that are impacted by them and the regional interests that are also affected. Whatever form this Market Improvement District takes, in our view, it should be an integral component of the plans of any Parcel 9 developer.

i). With Respect to Community Space Commitments: The Haymarket Hotel offers public access to community conference space and to hotel pool and fitness facilities; and those are significant community amenities that we acknowledge and applaud. The updated Blackstone Market proposal clearly took its cues from the initial Haymarket Hotel submission as well as from community comments in now proposing to provide community meeting and conference space as part of their Parcel 9 project. In both of the current proposals, such space could also be used as HPA offices and in the case of the Blackstone Market proposal, also as headquarters for a Market District governance structure.

It is noted that the community space in the updated Blackstone Market proposal is provided in lieu of the initially proposed rooftop farm, which would have been an expensive and otherwise challenging undertaking that did not seem to generate a great deal of community support. What is now planned is a publicly accessible and four-season green roof, which includes an adjacent community space in a glazed structure with a somewhat lower profile than the greenhouse that was initially shown.

While the Advisory Committee values the various purposes to which this Blackstone Market community space would be devoted, we also welcome the flexibility of its location that was suggested in their oral presentation. Among the objections to the rooftop greenhouse as initially proposed was that, as the only structure visible above the two-story market element of the project, it complicated and compromised the view of the adjacent Blackstone Block from the North End and the Kennedy Greenway; and that remains largely true of the current proposal. Serious thought should be given to a less intrusive location that might be better in any case – e.g., in the area now shown as the outdoor terrace for a second-floor restaurant at the Hanover Street end of Parcel 9. That location would reduce the overall profile of the market hall element of the Blackstone Market structure; and it would also provide a multi-purpose community space that is exceptionally visible and very centrally located in terms of the Market District as a whole.

j). With Respect to Adverse Transportation Impacts: The potential adverse transportation impacts of a hotel use were identified in the June 1st Advisory Committee comment letter as a notable weakness of the original Haymarket Hotel submission; and it continues to be so in their updated proposal. Of particular concern are the negative effects of the vehicle drop-off/pick-up and standing as well as the luggage loading/unloading functions that will have to take place on and along the Surface Artery, which borders Parcel 9 and provides the visual and pedestrian

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 11 of 14

connection between the Market District and the North End and the Kennedy Greenway. The comparable traffic and transportation demands of a residential use at this location are less frequent, pervasive and prolonged, and are thus far less onerous and disruptive.

k). With Respect to the Development of Other Blackstone Street Properties: Although MassDOT staff have repeatedly made clear that development plans and prospects for other Blackstone Street properties are not relevant to their decision-making with regard to Parcel 9 developer designation, the Parcel 7 & 9 Advisory Committee and others in the community have also repeatedly made clear that those issues and opportunities are relevant to our preferences among the Parcel 9 development proposals and now between the two Parcel 9 finalists.

What happens on the other side of Blackstone Street as a consequence of the redevelopment of Parcel 9 has major implications both for the growth and development of the Market District as a whole and for the improvement of the surrounding communities. And we cannot ignore those implications since many of those properties are owned by a principal of the Blackstone Market group. That potential advantage was not addressed by the Blackstone Market group in their initial Parcel 9 submission; and in our June 1st comment letter, the Advisory Committee identified that as a weakness of that first proposal. The Blackstone Market group has now addressed these matters in its updated proposal; and we consider that a strength of that proposal for the following reasons:

- Improved Market District Use of Blackstone Street: Coordinated management of the buildings and entryways on both sides of Blackstone Street will permit and encourage a more flexible, complete and coordinated design and use of the street itself, for HPA purposes and otherwise.
- 2. Increased Operational/Logistical Options: The availability of these buildings and their related alleyways provides more options for managing HPA storage and trash handling than the more limited spaces available on Parcel 9 alone.
- 3. Expanded Construction Staging/Sequencing Possibilities: The availability of these buildings and alleyways also provides additional space for accommodation of HPA storage and trash handling during the reconstruction of both Blackstone Street and Parcel 9.
- 4. A More Comprehensive and Coherent Architectural and Urban Design Strategy: Planning for the redesign and reconstruction of Blackstone Street in conjunction with the design and redevelopment of the structures on both sides of Blackstone Street would both encourage and facilitate a more integrated approach to the urban design and architecture of all of these historically and functionally related properties and to the related role of the Blackstone Block within Market District and the larger downtown community.

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 12 of 14

5. An Accelerated Development Schedule: The development of Parcel 9 is expected to accelerate the redevelopment of the other Blackstone Street properties to the benefit of both the Market District and the surrounding communities. While this could well occur regardless of who develops Parcel 9, it is more likely that it will occur if the Blackstone Market group is responsible for the redevelopment of both sides of the street since they would be better able to implement a simultaneous development and construction schedule.

These factors represent advantages for the Blackstone Market group that are not available to the Haymarket Hotel group or, for that matter, to the other Parcel 9 development proponents in the initial round. But that does not diminish their relevance and importance for the emerging Market District and from the perspective of the community, including the Advisory Committee.

I). With Respect to Financial Considerations: Financial considerations do not fall within the purview of the Advisory Committee and such information is currently available only to MassDOT. Although such consideration are only one element of the designation criteria, and in our view, not the most important one, the Advisory Committee does understand and appreciate the relevance and importance of the financial offers of each proponent. We presume that both proponents have now made their best and final financial offers; and we hope and expect that in the case the Blackstone Market submission, that their financial offer to MassDOT has been increased to reflect the addition of two floors to their residential building and the elimination of the costly rooftop farm.

m). With Respect to Other Items of Interest and Concern for the Future: There were a number of items referenced in the June 1st comments of the Advisory Committee that have yet to be fully and finally addressed by either of the proponents in their updated proposals. These are matters that could/should be addressed through the BRA Article 80 process and/or by a Market District governance structure of the type that the Advisory Committee and others have recommended. Among those are:

1. The Commitment to/Creation of a Market District Governance Structure: We reiterate this point because we consider it to be of critical importance and timeliness. The concept of a collaborative and participatory oversight and coordination organization, which would represent all of the elements of the Market District as well as the city and state agencies that have created it and the surrounding communities and the regional interests that have supported and will sustain it was articulated in the first meeting of the Parcel 7 & 9 Advisory Committee and has been part of our continuing conversation since. It is also the foundation on which we are relying to assure that all of our shared expectations for the Market District are realized now and maintained and refined in the future. But there has yet been an official commitment to or a specific schedule for the creation of such a structure; and that is a major piece of unfinished public/private business.

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 13 of 14

- 2. The Design and Development of the Hanover Street Intersection as a Focal Point for the Market District: This was identified by the Parcel 7 & 9 Advisory Committee in our June 1st comments as a notable strength of the Market Square proposal; and we believe that this urban design strategy should be pursued by whoever develops Parcel 9. Beyond providing a critical physical and visual link between Parcel 7, it would serve the symbolic purpose of the former Haymarket Square, located just to the north of this intersection, which could even be renamed as such in the context of the new Boston Market District.
- 3. Utilization of Blackstone Street on Non-HPA Days: Given the major improvements to the design and use of Blackstone Street that are being planned as a consequence of Parcel 9 redevelopment, systematic thought should be given to what merchandising or other purposes this venue might serve in the several days each week that it will not be used for HPA purposes.
- 4. Utilization of the Parcel 7 Plaza by HPA, the Boston Public Market and Possibly Others: The Parcel 7 outdoor plaza area is perceived and should function as an extension of the Blackstone Street merchandising use; and the shared use of this very visible and valuable element of the Market District could/should be addressed and resolved at the earliest possible date.
- 5. Rebranding of the Surface Artery as an Important Element of Rebranding the Market District as a Whole: Unbeknownst to many, the so-called Surface Artery is actually named after former Boston Mayor John F. Fitzgerald, known to most as Honey Fitz, who was famously born and lived in the North End. A rebranding of this roadway to celebrate that fact would not only do justice to its important new function as boundary between the Market District and the Kennedy Greenway, but also give it more appropriate standing with Atlantic Avenue, it northbound counterpart. This rebranding could/should accompany another initiative that would give this newly crucial urban boulevard its due: relocating tour bus parking from this important Market District perimeter.

In summary and conclusion, we reiterate that the proposals of both of the finalists have been substantively improved over their initial submissions; and each has addressed perceived weaknesses and enhanced perceived strengths in some important ways. But after more than two years of concerted attention to this matter, for the reasons outlined above, in accord with the preferences previously expressed by many of our members, and again noting that our esteemed member Victor Brogna does not endorse this preference, it is the substantial, albeit not the unanimous, conclusion of the Parcel 7 & 9 Advisory Group that the Blackstone Market proposal is decidedly the better of the two and that the Blackstone Market Group would be the more appropriate and advisable developer of Parcel 9.

Parcel 7 & 9 Advisory Committee April 5, 2013 Page 14 of 14

With due regard to our earlier disclaimer, we believe that the proposal of the Blackstone Market group better reflects our shared plans, purposes and priorities for the Market District, perhaps in part because of their involvement in the Advisory Committee process from the outset. In our view, their approach would more fully realize the goals and objectives, priorities and potential of the Market District as well as its linkages to and benefits for the surrounding communities.

We are persuaded that the architecture and urban design incorporated in the Blackstone Market proposal are significantly superior to those in the Haymarket Hotel proposal, and that their planned mix of residential, retail, restaurant and community uses would add both more variety and more vitality to the Market District than would the comparable uses related to the Haymarket Hotel proposal. We are confident that the Cresset/DeNormandie project team is ready, willing and able to implement their plans on a timely basis, including their commitments to the community and to a collaborative working relationship with the Boston Public Market and to the Haymarket pushcart vendors.

We finally emphasize the importance of the support of the Haymarket Pushcart Association and the elected officials that the Blackstone Market proposal has earned, as well the many benefits of ownership of other Blackstone Street properties by one of the principals of the Blackstone Market group – all of which are major competitive advantages for the Blackstone Market group that are not shared by the Haymarket Hotel team.

For all of those reasons, we respectfully recommend and request that MassDOT designate the proponents of the Blackstone Market proposal as the developers of Parcel 9.

Respectfully,

The Members of the Parcel 7 & 9 Advisory Committee

cc: DOT Secretary Richard Davey Massachusetts Governor Deval Patrick Boston Mayor Thomas Menino Boston Redevelopment Authority Director Peter Meade Dana Levenson, Jeffrey Simon, John Romano, Roy Avellaneda of MassDOT Kairos Shen, David Carlson, Lauren Shurtleff and Jonathan Greeley of the BRA Senator Anthony Petruccelli, Representative Aaron Michlewitz, City Councilor Sal LaMattina The Blackstone Market and Haymarket Hotel Project Teams Boston Public Market Representatives Other Interested Parties