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Jeffrey A. Simon
Assistant Secretary for Real Estate and Asset Development
MassDOT
Re: Parcel 9
OREAD
10 Park Plaza, Suite 4170
Boston, MA 02116

April 5, 2013

Re: Parcel 9 Developer Selection

Dear Secretary Simon:

I write this comment letter as a member of the Parcels 7 and 9 Advisory Committee, as Co-Chair of the Zoning, Licensing and Construction Committee of the North End/Waterfront Residents' Association, as a resident of the North End/Waterfront neighborhood for 20 years, and as a citizen of Boston for 60 years. I write as an Advisory Committee member because I am unable to join in the consensus letter which has been drafted on behalf of the committee. My inability stems from my disagreement with the committee's relative assessment of the strengths and weaknesses of the proposals of the two finalists, the Blackstone Market group and the Haymarket Hotel group. Additionally, the committee has expressed a preference for the Blackstone Market proposal in the comment letter it has prepared, despite the instructions from your Office of Real Estate Development to limit the comments to the strengths and weaknesses of each proposal, and not to include a preference. Since I expect that the committee's letter as submitted will contain such a preference, I am constrained to advise you of my disagreement with that choice as well. In my earlier personal comment letter of February 14, 2013, I stated that I was in general agreement with the preference expressed by my colleagues on the committee, which was the Blackstone Market proposal. Since then the landscape has changed, as a result of the responses to Addendum 3 to MassDOT's Request for Proposals which were filed by the two proponents. Haymarket Hotel's response included major revisions to their earlier proposal, which addressed many of my concerns. Blackstone Market's response addressed only one of my concerns, by changing the function of a rooftop greenhouse to that of a community meeting room. My preference is now, therefore, the proposal of Haymarket Hotel as revised.

As requested by MassDOT, my evaluation of certain strengths and weaknesses of the two proposals follows.

1. The Restaurant Issue.

The entire upper floor of the two-story market hall under the Blackstone Market's proposal would be devoted to restaurants. At the public meeting on March 20, 2013, we learned that the restaurants would contain 400 to 500 seats. In my earlier letter I explained in detail the negative impacts which would inevitably occur to the North End/Waterfront neighborhood from the influx of tourists which a restaurant destination of such size would produce. My earlier letter is on file with MassDOT and there is no need for me to repeat here what was said. I add to those words the

advice contained in the January 2009 Boston Market District Feasibility Study produced for the BRA by Project for Public Spaces (PPS), where it was stated on page 13:

While tourists would expect to be drawn to a public market, they can also have a destructive impact. Pike Place Market [in Seattle] is so clogged with tourists that many locals avoid the market, and the number of farmers has declined significantly.

PPS states on pages 64-66 of its report that restaurants are the largest square foot user in the Pike Place Market, and that the aisles of the market are flooded with visitors who are not interested in buying fresh fish and vegetables – only looking at them. Farmers are leaving and setting up in new outdoor markets in neighborhoods. If there is any doubt that there is a causal connection between the large space devoted to restaurants, the influx of tourists and the decline in the success of the Pike Place Market, I would suggest that the expertise of PPS be utilized and that MassDOT make a request of the BRA to obtain the opinion of its consultant, PPS, on this question.

There is also a serious risk to the financial health of the project which relates to Blackstone Market's heavy reliance on restaurants. The restaurant issue has been part of the debate for some time now, and we must assume that Blackstone Market's refusal to budge on the issue reflects their dependence on restaurants to finance the project. It is well known, however, that a large percentage of new restaurants fail. If MassDOT does not have the figures, its consultant on the Parcels 7 and 9 project can undoubtedly produce them. It is also well known, and consistent with our North End experience, that when restaurants are in a failing mode they look for recovery by staying open late hours and selling more alcohol, a scenario which would have serious negative impacts on the quality of residential life in the North End/Waterfront neighborhood, for the reasons already discussed in my February 14, 2013, comment letter.

Like the Pike Place Market, Blackstone Market's entire second floor restaurant area of 26,029 square feet seating 400 to 500 diners exceeds by a large amount its market area of 17,050 square feet. (Blackstone Market submission dated March 15, 2013, page 8.) It should also be noted that restaurants above the first floor are prohibited under the provisions of the Boston Zoning Code applicable to the North End neighborhood, and enforcement of the prohibition is important to North End residents. (See the current North End Regional Review, April 2, 2013, page 9.) Haymarket Hotel's restaurant, on the other hand, is tucked away from the market hall on the first floor, at the corner of Cross and North Streets, where I count 56 seats at tables and 22 seats around a central bar or common eating area. (Haymarket Hotel submission dated March 15, 2013, page 4.) This should be large enough to satisfy the needs of the hotel as well as diners who wish to eat near the market hall. Additionally, and not to be overlooked, are the Union Oyster House and numerous other restaurants and pubs in the area on the other side of Blackstone Street, as well as the Hard Rock Café and the restaurant in the Millennium Boston hotel which are immediately adjacent to the site. All these nearby restaurants provide dining facilities off-site which are fully adequate to serve the needs of tourists on the Freedom Trail and other visitors. Following PPS' advice, we should accept that a large restaurant presence is detrimental to the success of a market district.

Therefore, on the relevant aspects of the restaurant issue as described above, the Blackstone Market proposal exhibits substantial weakness and the Haymarket Hotel proposal exhibits substantial strength.

2. Architectural Concerns.

The applicable height limit at Parcel 9 under the Boston Zoning Code is 55 feet. The support of the North End/Waterfront community was obtained for a structure exceeding 55 feet at the North Street end of the parcel when the community was given schematics showing a low market building along the Greenway side of the parcel. The low market building preserved view corridors across to Blackstone Street from Salem Street and Hanover Street, which were important to the community. The Haymarket Hotel proposal preserves these view corridors, with a one-story market hall only 20 feet high. (Haymarket Hotel submission dated March 15, 2013, page 6.) The Blackstone Market proposal, on the other hand, has a two-story market hall with a former greenhouse, now a community room, atop a portion of the second story. The height of the two-story hall itself is 30 feet 6 inches, and the height to the top of the community room is 44 feet 6 inches. (Blackstone Market submission dated March 15, 2013, page 23.) These heights will substantially impede the views across the Greenway from the North End.

It should be noted that view corridors have long been important aspects of Boston urban planning. Boston City Hall was sited in such a way as not to block the view of the Old North Church steeple from Tremont Street. The view corridor from Faneuil Hall to the Boston Police Academy building across the then artery corridor was considered important as noted in the Joint Development Parcel-By-Parcel Analysis for the Central Artery Corridor, prepared for the Massachusetts Department of Public Works, dated July 1991, at page 52.

Again, on the issue of preservation of important view corridors, the Blackstone Market proposal exhibits substantial weakness and the Haymarket Hotel proposal exhibits substantial strength.

Another architectural concern involves height of the non-market building. The Blackstone Market proposal has for its residential apartment building a height of 104 feet. (Blackstone Market submission dated March 15, 2013, page 23.) The Haymarket Hotel's height is 84 feet. (Haymarket Hotel submission dated March 15, 2013, page 6.) For comparison, we were told at the March 20, 2013, public meeting that the height of the adjacent Clinton Street Garage is 85 feet and that of the adjacent Millennium Boston Hotel is 74 feet. The Blackstone Market's apartment building exceeds the height of the garage by 19 feet, and exceeds that of the hotel substantially, by 30 feet. The agreement of the North End/Waterfront community to support a zoning height violation at the North Street end of the site cannot be understood to extend to a height without limits, and there are certainly view corridors (from Faneuil Hall, for example) which would be less impeded by a lower height than a greater height.

Therefore, on the issue of the height of the non-market building, the Blackstone Market proposal exhibits substantial weakness and the Haymarket Hotel proposal exhibits substantial strength.

It should also be mentioned that the preference of the committee for the architecture of the Blackstone Market proposal rests to a great extent on the perceived contextual nature of the design. That is, the entire structure repeats the brick of its neighbors. As I interpret the Haymarket Hotel's March 15, 2013, submission, the hotel building which was originally clad in tile is now clad in brick. The hotel's market hall building, on the other hand, shows itself as a separate presence by being of glass and steel, which recalls the market halls of 150 years ago from which the Parcel 9 market hall takes its cue. Speaking personally, I do not find it inappropriate to distinguish the exterior of the market hall from the non-market building on the same site. Additionally, I have confidence that, through the BRA Article 80 process and the Boston Civic Design Review process, an appropriate exterior design of a separately-presenting market hall can be assured.

3. Other Concerns.

(1) Hotel Use vs. Residential Use.

The opportunity to have a hotel for the non-market building on the site, open and staffed 24/7, would seem to be something to take advantage of. This is especially so, considering the presence of the adjacent pushcart market and the inevitable noise and confusion which accompanies its operation. Hotel guests are short-term and residential tenants are longer-term, which on the face of it would give the latter greater opportunity to mobilize and to present complaints. The committee feels differently – that a rental community would celebrate the noisy activities of the pushcart vendors. None of us is expert on the subject. The best we can do is to make predictions based upon educated guesses. I would once again suggest that MassDOT take advantage of the expertise of PPS, and request the BRA to obtain from them an opinion based on their market studies of which use, hotel or residential apartments, would be the better use for this site.

(2) The Retail Program for the Market Hall.

In the discussions of the committee there was agreement that the products sold in the market hall must not compete with the products sold by either the pushcart vendors or the public market vendors. They must of course be food products, or perhaps food-related products, only. This issue was always present in the minds of the committee members during our many meetings, but I do not recall that it was ever thoroughly discussed and a position taken. As for the retail programs suggested by the proponents, I personally do not put much weight on them. I would expect that under the lease terms to be drafted by MassDot there would be explicit, strict and appropriate terms describing what could and what could not be sold in the market hall, which the lessee would be obliged to adhere to. I will trust to MassDOT to achieve the appropriate balance between the retail activities taking place in Blackstone Street, the public market and the market hall. I also refer MassDOT to the recommendations of PPS on pages 6 and 7 of its report.

(3) Market Hall Size.

I received via e-mail a few moments ago two plan views purporting to show the area in square feet devoted to the market itself in the first floor of the market hall. It appears to show that the Blackstone Market proposal assigns 17,108 square feet to the market and Haymarket Hotel proposal assigns only 8,716 square feet to the same function. I would like the opportunity to analyze and discuss this further with the two proponents, to make sure that the comparison is fair and that I am reading the two drawings correctly. Unfortunately, there is not time to do so, as the hour when these comments are due is soon to arrive. I do note, however, that a large portion of the Haymarket Hotel's first floor - 5,128 square feet - is devoted to Winter Garden and retail use. The generous area and height of the Winter Garden provides an attractive public benefit, and the retail portion appears to be only a small part of the Winter Garden area. This means that a very large part of the area difference between the two proposals is accounted for by a public benefit, which it would be difficult for me, on behalf of the North End/Waterfront community, to reject. In the many meetings held by the committee, an appropriate size for the specifically market portion of the market hall was never discussed. On balance I might agree that larger is better, but to do so I would have to give up a generous public benefit which at this time I am unwilling to do. I also note that the Haymarket Hotel's restaurant takes up what appears to be over 2,000 square feet in the area under discussion, in a first floor corner location which I favor. I would not readily give that up

either. Therefore, I am content to leave any adjustment in the layout of the market hall to the expertise of MassDOT, the BRA and perhaps PPS .

(4) Support of Elected Officials.

At the public meeting on March 20, 2013, a letter was read stating that the Blackstone Market proposal was supported by the North End/Waterfront's State Senator, State Representative, and City Councilor. Copies of the letter were not distributed at the meeting and I have not seen it, which makes it difficult at this point for me to comment upon it. I do not know whether the signers of the letter were aware of the major changes and improvements in the Haymarket Hotel proposal which were contained in the hotel's response to Addendum 3, nor do I know whether or in what way the sentiments of the North End/Waterfront community were gauged before the letter was written. I can surely state that I was not contacted. I state as well that if MassDot sees fit to award the development contract to Haymarket Hotel, the North End/Waterfront community will work with MassDOT to obtain any support from elected officials which may be required at that time.

(5) The Haymarket Pushcart Association.

There is no doubt that the requirement of the Parcel 9 developer to work harmoniously with the Haymarket Pushcart Association must be assured. In the words of PPS, "The historic Haymarket is the heart of the proposed Boston Market District." (PPS Boston Market District Feasibility Study, p. 21.) We are told that there exists a written agreement between the Haymarket Pushcart Association and the Blackstone Market group, but that agreement has not been made available to the committee. The likely reason is that it contains financial information or commitments. Throughout the committee's existence, financial matters have been kept apart by MassDOT from the committee's discussions.

Once again, it is difficult to comment upon what one has not seen. However, I can at least make the recommendation that, assuming that MassDOT finds the terms of the Blackstone Market-Haymarket Pushcart Association agreement to be appropriate, such terms would be incorporated into the lease obligations between MassDOT and whichever proponent receives the award of the development contract for Parcel 9.

Thank you for your attention to these comments, which I hope will prove helpful in the making of MassDOT's decision on the award.

Sincerely,

Victor Brogna