

Massive Roxbury Mixed-Use Project Headed Straight Toward Defeat

The Boston Redevelopment Authority is poised to pull the plug after seven years of waiting.



Photo by John Keith

Dozens of Boston residents have spent hundreds of hours over the past decade focused on getting a mixed-use project built on an empty lot in Roxbury. Tonight, they'll find out if all that work has been for naught, which seems pretty likely.

Parcel 3 is an eight-acre piece of undeveloped land on Tremont Street in Roxbury located directly across the street from the Boston Police Department headquarters. It has one of the longest, most tortured histories of any undeveloped parcel in the entire city of Boston. In the 1950s, the Commonwealth of Massachusetts took the land by eminent domain and cleared it of any properties before abandoning plans to extend I-95 and I-695 into the city through Roxbury and the South End. (The current-day Orange Line is the fortunate result of that misguided idea.)

The city has been looking to redevelop the site ever since. Over the past seven years, there have been three significantly different projects proposed, none of which included solid financing details. In 2007, Elma Lewis Partners LLC was given tentative designation to build on the site but, but after multiple extensions, the Boston Redevelopment Authority is threatening to pull that designation, having run out of patience and faith in the development team. The decision may come tonight at the BRA's monthly board meeting.

Back in 2007, Elma Lewis Partners' original proposal was for a \$300 million, 1.4 million square foot mixed-use project called Ruggles Place, which would include office, retail, educational, and medical space along with 300 condos. There would be a new museum for the National Center of Afro-American Artists (NCAAA), space for arts and education programs, and a parking garage.

In 2012, Elma Lewis, this time working with Feldco Development as P-3 Partners, revised its proposal. The project had a new name, Tremont Crossing, but would still include retail and office space and the NCAAA museum and there would be apartments now, instead of condos. No longer were a theater and fine arts school included as part of the package, which was surprising since one of the primary reasons Elma Lewis Partners had been selected to develop was its focus on the arts.

Then this past April, P-3 Partners announced it had secured a letter of intent from BJ's Wholesale Club to lease 90,000 square feet of space in the new project. Its new plan was for seven buildings with retail and office space, apartments, a hotel, and the NCAAA museum, now shrunk from its original 60,000-square foot size to less than 38,000 SF. The price tag? \$400 million, with the development team promising 2015 start and 2017 completion dates.

The developer asked at the time for another six-month extension to October 2014. The P-3 Partners team members argue that they need time to sign leases with the

retailers, a cinema operator, and prospective office tenants in order to obtain construction financing.

“We don’t have signed leases for all of this, but that’s the nature of a mixed-use development,” Feldco Development Vice President Jeffrey Feldman **told the Bay State Banner**. “It’s like a Rubik’s Cube.”

The BRA’s response was abrupt and to the point:

While the Boston Redevelopment Authority (“BRA”) supports Parcel P-3 Partners LLC, we remain concerned over the feasibility of the Tremont Crossing project.

To date, BRA staff is unclear as to an accurate description of the proposed project and the support of any such proposal by the Roxbury Strategic Master Plan Oversight Committee (RSMPOC). Based upon the September 26, 2013 BRA Board authorization for Tentative Designation, none of the requirements of the Tentative Designation have been met. Specifically, Parcel P-3 Partners LLC has not provided any evidence of firm financing for a proposed project or funding sources.

Progress on the Tentative Designation requirements must be met before any consideration can be given for further extension.

It’s not just the BRA that’s losing patience. The Roxbury Strategic Master Plan Oversight Committee—the organization the city put in charge to decide for the community what’s best for Roxbury’s vacant lots, including Parcel 3—has expressed concerns about the viability of the proposed project being funded.

“If you have the project and go to a bank, and you want me to loan you \$320 million, you have to tell me, how am I going to get my return on equity, my investment?” Darnell Williams, Chairman of RSMPOC, says. “If [P-3 Partners] can’t produce that, then they can’t count on us to be at the marriage ceremony.”

Williams says the development partners need to show some movement when it comes to financing their proposals but “... have not been forthcoming in that part of the equation.”

“We have mixed emotions in their ability to get the job done. They need to produce and manufacture more concrete evidence that would shift momentum away from one of doubt to a ‘We can get this done’ category,” he says.

What happens at Tremont Crossing matters to everyone in the city, not just the residents of Roxbury. The BRA holds the lease on the property and, at one time, was going to take a \$3 per square foot annual payment on the property, meaning as much as \$4 million would flow into the city’s bank account every year.

And so tonight’s BRA meeting will have some far-reaching effects. Will the city give the developer one more chance or will it pull the plug, having given up hope that it will be able to ever plan and build something on the site? Boston Redevelopment Authority staff are expected to give their opinion on whether or not to de-designate Elma Lewis Partners LLC to the BRA board tonight, after which the board may vote yes or no on the proposal. It will be a *development* worth following.