

Quincy Center Transit-Oriented Development Request for Proposals



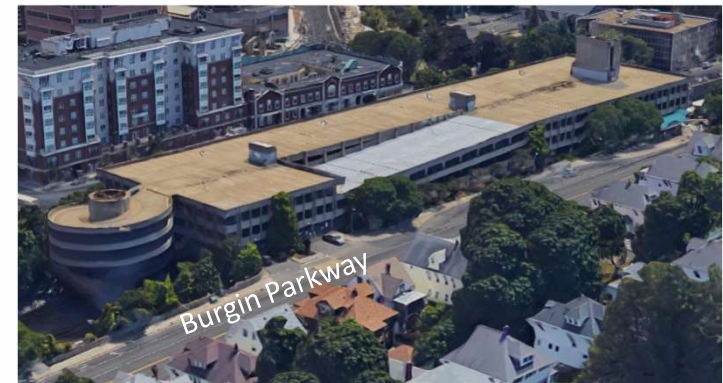
AGENDA

1. Context
2. RFP Process and Proposals
3. Staff Recommendation
4. Next Steps
5. Discussion and Proposed Vote



Quincy Center Station RFP

CONTEXT



The parcel offered for a 99-year lease totals $\pm 275,000$ sq.ft. (± 6.3 acres) and consists of:

1. Land on which the MBTA bus terminal is located
2. Air rights over Quincy Center Station and a portion of the Red Line/Commuter Rail right-of-way



RFP PROCESS

- **Jul – Aug 2017: Request For Information**
 - RFI released July 10th; 7 responses received
- **Aug – Nov 2017: Request for Proposals**
 - RFP released August 18th; 2 bids received
 - RFP includes code analysis that establishes fire/life safety, egress, and accessibility upgrades to Quincy Center Station that would be the responsibility of the designated developer
 - Bus Operations Criteria and Transit-Oriented Development (TOD) Policy included
 - Paramount consideration: responsiveness to operational needs and improvement of customer experience. No negative impact to MBTA bus and rail operations.
 - Additional criteria include (but not limited to): value/revenue, capital improvements, no ↑ maintenance costs, no MBTA/MassDOT subsidies required
- **Oct – Nov 2017: Review**
 - MBTA internal review for responsiveness by operational departments and real estate
 - MBTA continues to work collaboratively with the City of Quincy during RFP release and review process.
 - Two appraisals of air and ground rights at Quincy Center Station, as well as separate market analysis, completed



Quincy Center Development Proposals

	Quincy Center TOD Partners	JAG Northeast Development Company LLC
Lease payments/Price	Over 99 Year Lease period, payments total Phase 1: \$34,016,023 Phase 2: \$55,881,954 Phase 3: \$77,830,857	\$6,250,000 (lump sum payment)
Retail/Office (gross square feet)	Phase 1: 3,500 (Retail) Phase 3: 225,000 (Office)	13,200 (Retail) 14,500 (Office)
Residential Units	Phase 1: 302 Phase 2: 300	326
Affordable Residential Units	10% Affordable On-site (±60 units) or Affordable Housing Contribution*	33
Total Parking Spaces	Phase 1: 251** Phase 2: 365 Phase 3: TBD	324 (79 public, 245 residential)
Construction Phases	Three	One
Zoning Relief Required?	Yes (Parking)	Yes (Parking)
Funding Subsidies Request	\$10 - \$20 M	\$20 M
Estimated MBTA upgrades	\$21 M	\$20.24 M

*MBTA will require that affordable housing be located on-site.

** Half spaces “shared” with MBTA; did not specify costs



PROPOSAL

JAG Northeast Development Company LLC



SOUTHEAST AERIAL



PROPOSAL
JAG Northeast Development Company LLC



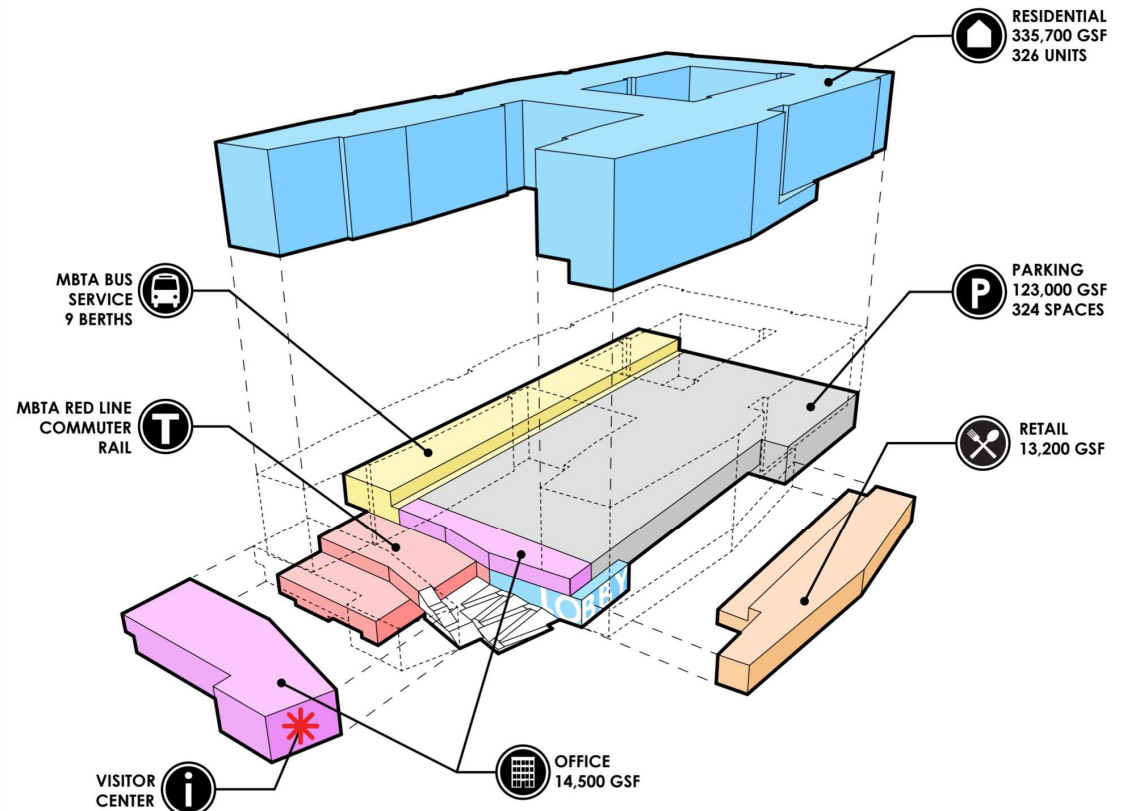
Entrance from Hancock Street



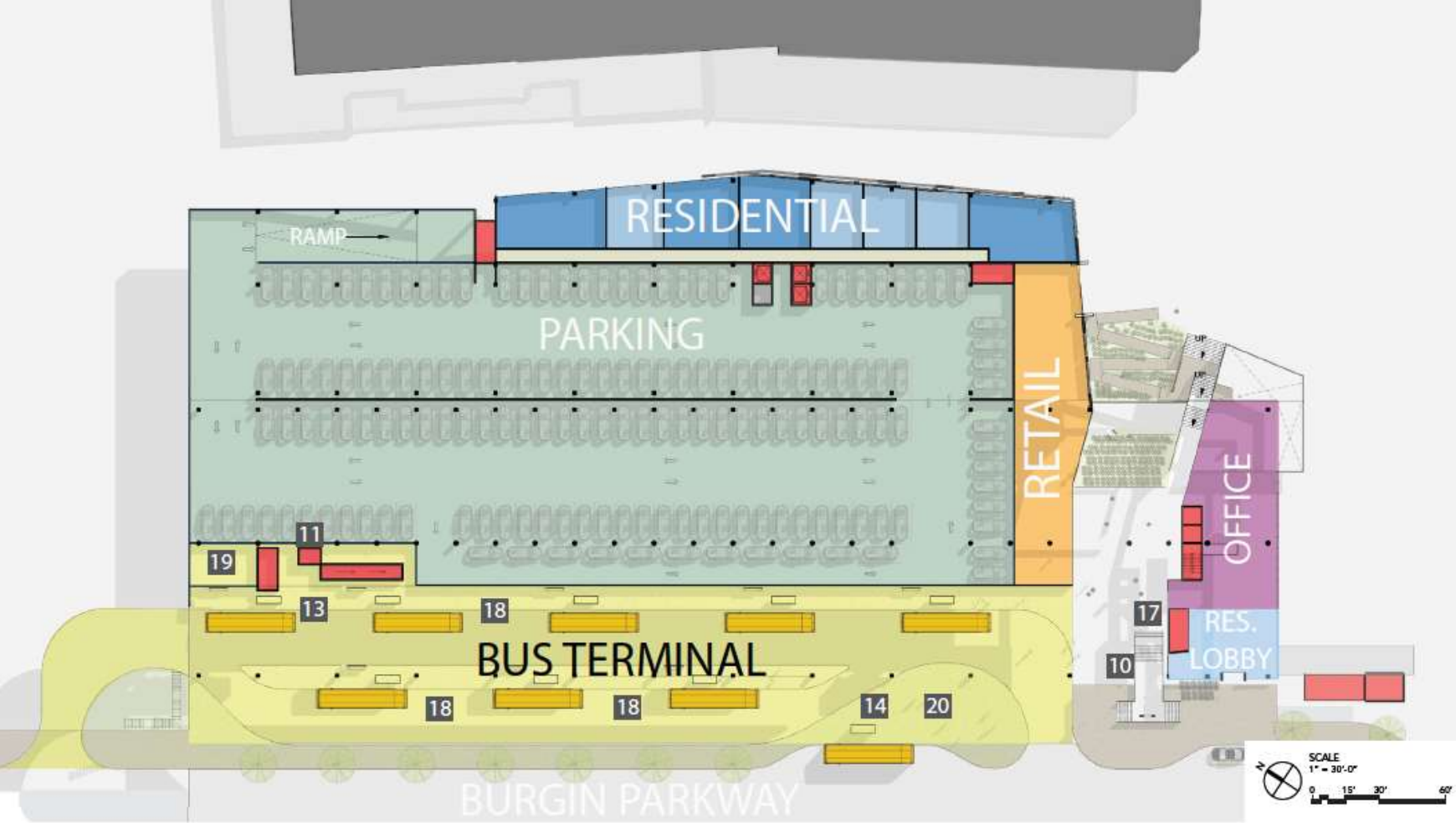
JAG Northeast Development Company LLC

PROJECT USES

- 486,000 GSF total
 - 326 residential units (33 affordable)
 - 13,200 sq.ft. of retail
 - 14,500 sq.ft. of office/institutional
 - 324 parking spaces (79 Public)
- Upgrades valued by developer at ±\$21 million to the MBTA



SITE PLAN



Burgin Parkway Level



PROPOSAL Quincy Center TOD Partners



PROPOSAL

Quincy Center TOD Partners



MBTA Entrance from Hancock Street



Quincy Center TOD Partners

DESIGN OVERVIEW



Quincy Center TOD Partners

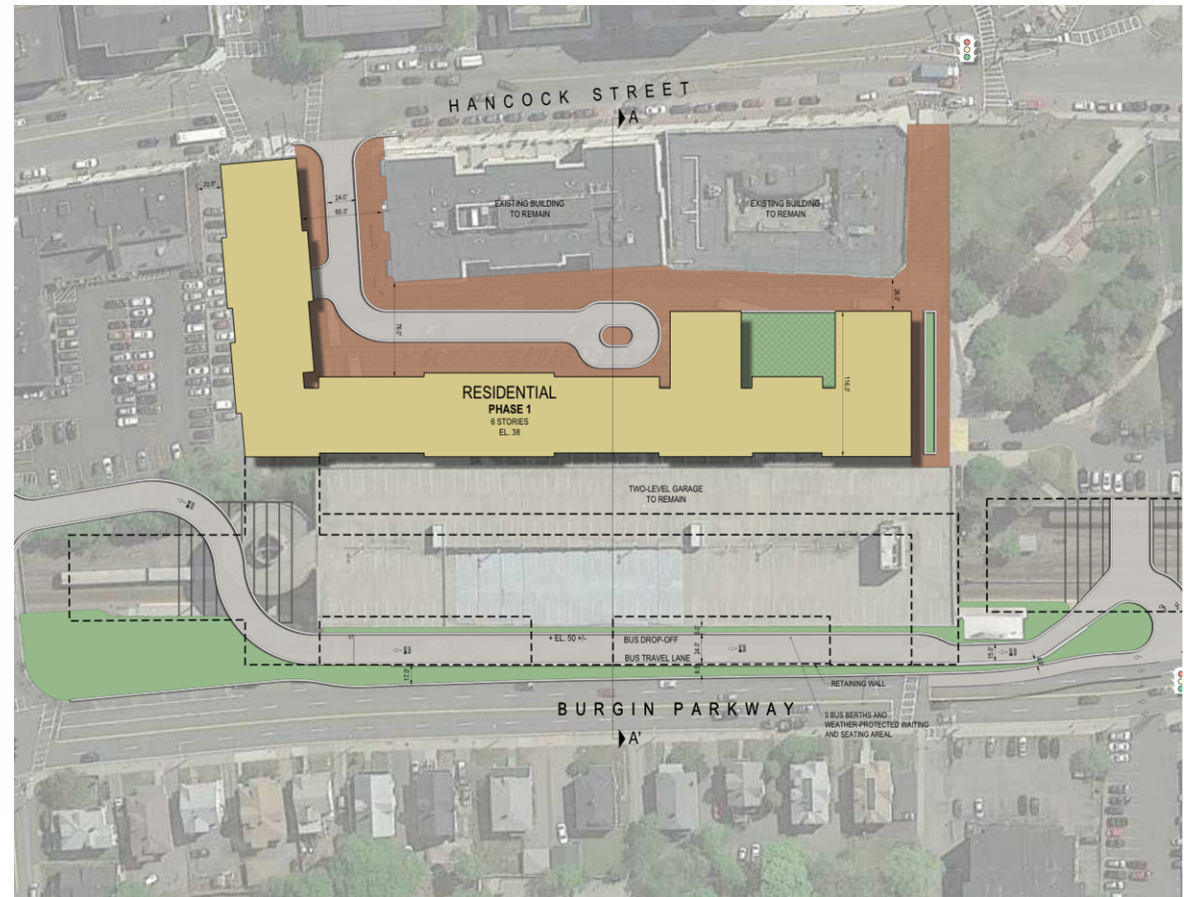
DESIGN OVERVIEW

Phase 1A

- Construct new bus terminal on the Burgin Parkway side of the Station
- Build 9 bus berths, weather protected waiting area, and employee spaces
- Complete required station upgrades. Developer estimates value of approximately \$20.8 million to MBTA in capital improvements.

Phase 1B

- Build on the land where the existing bus terminal is located and the abutting parcel controlled by developer
- 302 residential units
- 3,500 GSF of retail
- 251 parking spaces

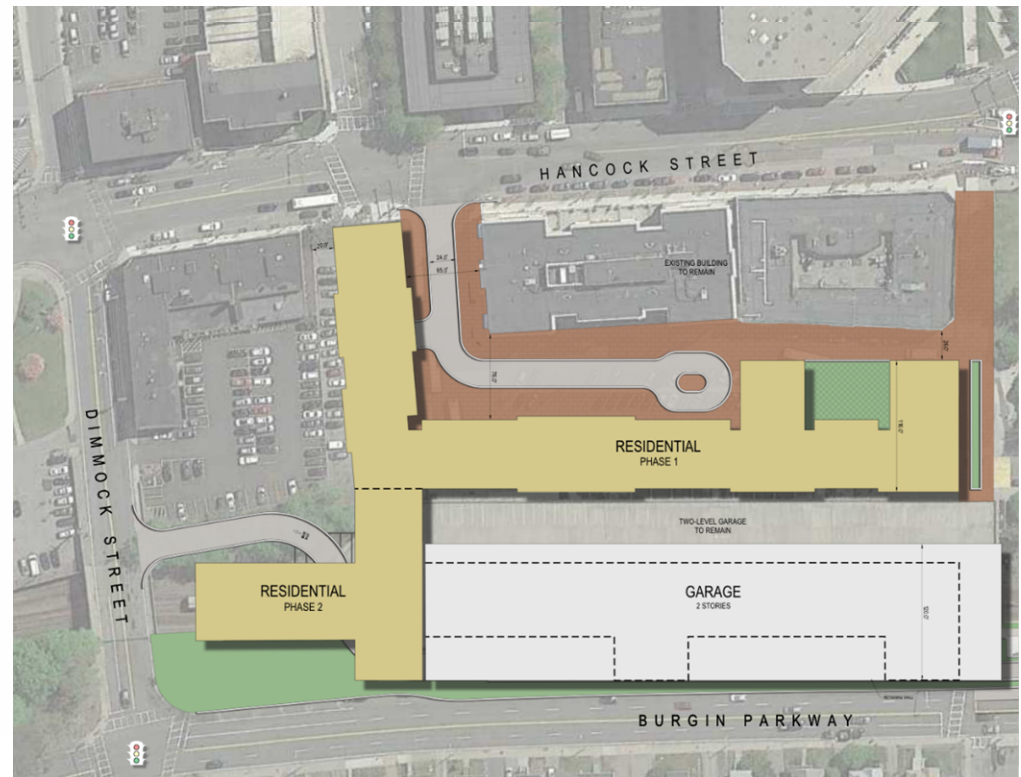


Quincy Center TOD Partners

DESIGN OVERVIEW

Phase 2

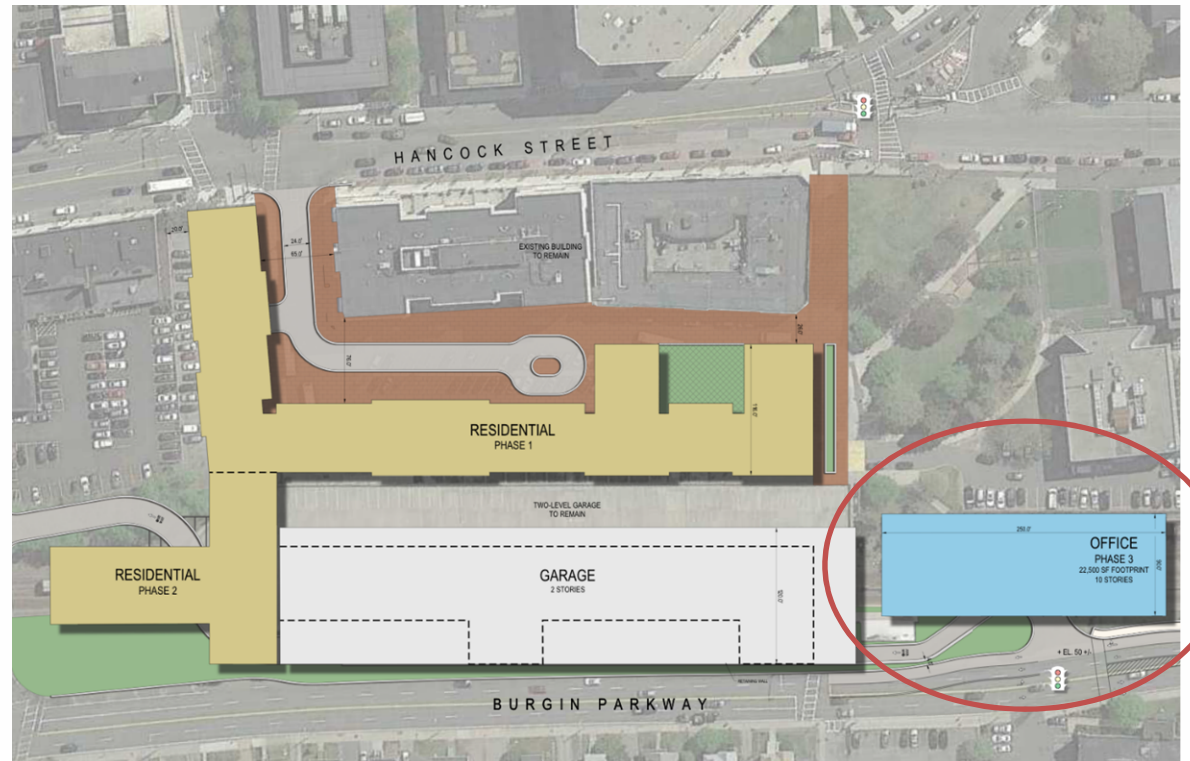
- Dependent on the results of a structural analysis of the existing garage during the initial 180-day due diligence period
- 275,000 gross sq. ft.
- 300 residential units
- 365 parking spaces
- Constructed on top of the remaining two floors of the existing garage; additional structural support may be required



Quincy Center TOD Partners

DESIGN OVERVIEW

- **Phase 3**
 - 225,000 gross sq.ft. of office
 - Constructed above the transit and commuter rail tracks to the south of the existing garage
 - Additional parking necessary; spaces TBD.
 - Future market conditions and feasibility may change



Quincy Center TOD Partners

PROPOSED CONSTRUCTION TIMELINE

- **Phase I**
 - Pre-Construction: 1/1/2019 – 12/31/2020
 - Construction: 1/1/2021 – 12/31/2022
 - **Completion: 1/1/2023**
- **Phase II**
 - Pre-Construction: 1/1/2023 – 12/31/2024
 - Construction: 1/1/2025 – 12/31/2026
 - **Completion: 1/1/2027**
- **Phase III**
 - Pre-Construction: 1/1/2027 – 12/31/2028
 - Construction: 1/1/2029 -12/31/2030
 - **Completion: 1/1/2031**

Quincy Center **STAFF RECOMMENDATION**

MBTA Real Estate Department recommends the designation of Quincy Center TOD Partners for the following reasons:

- Agreement amongst MBTA Bus Operations, Service Planning, System-Wide Accessibility, Capital Delivery, Red Line Operations, and Parking Services that Quincy Center TOD Partners presented a project that was **more responsive to MBTA operational needs**.
- Quincy Center TOD Partners proposed a project that allows the MBTA to better optimize the value of the parcel if the existing garage structure cannot support development. Additionally, **station upgrades are not dependent on structural analysis** and are proposed to be completed in Phase I.
- Proposal less likely to increase **long-term maintenance costs** for the MBTA.
- If NPV calculated, Quincy Center TOD Partners' **bid amount is higher** and offers re-occurring revenue.
- Potential to **improve customer experience** via better accessibility and pedestrian circulation
 - re-designed at-grade entry from both Hancock Street and Burgin Parkway
 - new bus ramp allows for passengers to exit bus directly onto sidewalk and into the MBTA train entrance
 - developer's bus study shows reduction in bus travel time on average (to be verified by MBTA)
- Higher density of residential units, including approximately 60 affordable units, will **increase ridership** and thus **increase fare revenue** to the MBTA. Mix of uses further encourages reverse commuting.



Quincy Center TOD 180-Day Due Diligence

- The MBTA will provide a longer than normal due diligence period of 180 days
- During the due diligence period, developer will fund and complete a structural analysis on the remaining floors of the existing garage to determine if Phase II of their project is feasible. Structural analysis study must be submitted to MBTA for review and concurrence.
 - By the expiration of the due diligence period, the MBTA will be able to determine if the project or part of the project is structurally feasible.
 - If developer provides evidence Phase II cannot proceed as proposed, MBTA needs assurance developer will go forward with Phase I regardless of structural analysis.
 - If structural analysis shows Phase II cannot go forward as proposed, MBTA or developer can choose to terminate Phase II and III. MBTA will retain air rights for future use and development.
- Assurance project is financially feasible without MBTA and MassDOT subsidies
- Assurance project will not increase MBTA maintenance costs beyond required station compliance upgrades
- Assurance bus and pedestrian travel time impacts will not be adversely impacted, and/or changes are acceptable to MBTA operations and planning to improve overall customer experience
- If the project is not structurally or financially feasible, the MBTA has the option to terminate the executed Development Agreement and continue diligence into possible future development at the Station.