



**Massachusetts Bay  
Transportation Authority**

# Riverside Transit-Oriented Development

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Fiscal and Management Control Board Executive Session

June 22, 2020

Richard Henderson, Chief Real Estate Officer

# Historical Overview

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- **2008 Invitation to Bid:**

- September 2008 - MBTA released Invitation to Bid (ITB) for an 85-year lease of entire 22.6 acres
- March 2009, BH Normandy was designated as the successful bidder, and a lease was executed on October 30, 2009 before developer had obtained permits.

- **Existing 2009 Lease:**

- 85-year term
- Base rent of \$850,000/year, subject to a 12.5% escalation every five years
- BH Normandy only permitted for 588,000 square feet, could not support offsite improvements and MBTA garage costs
- Mark Development joined as partner to re-conceive and re-permit project
- City of Newton rezoned site in late 2019 for 1+ million sf, now in special permit review
- Vote today is to amend the lease to reflect the new project

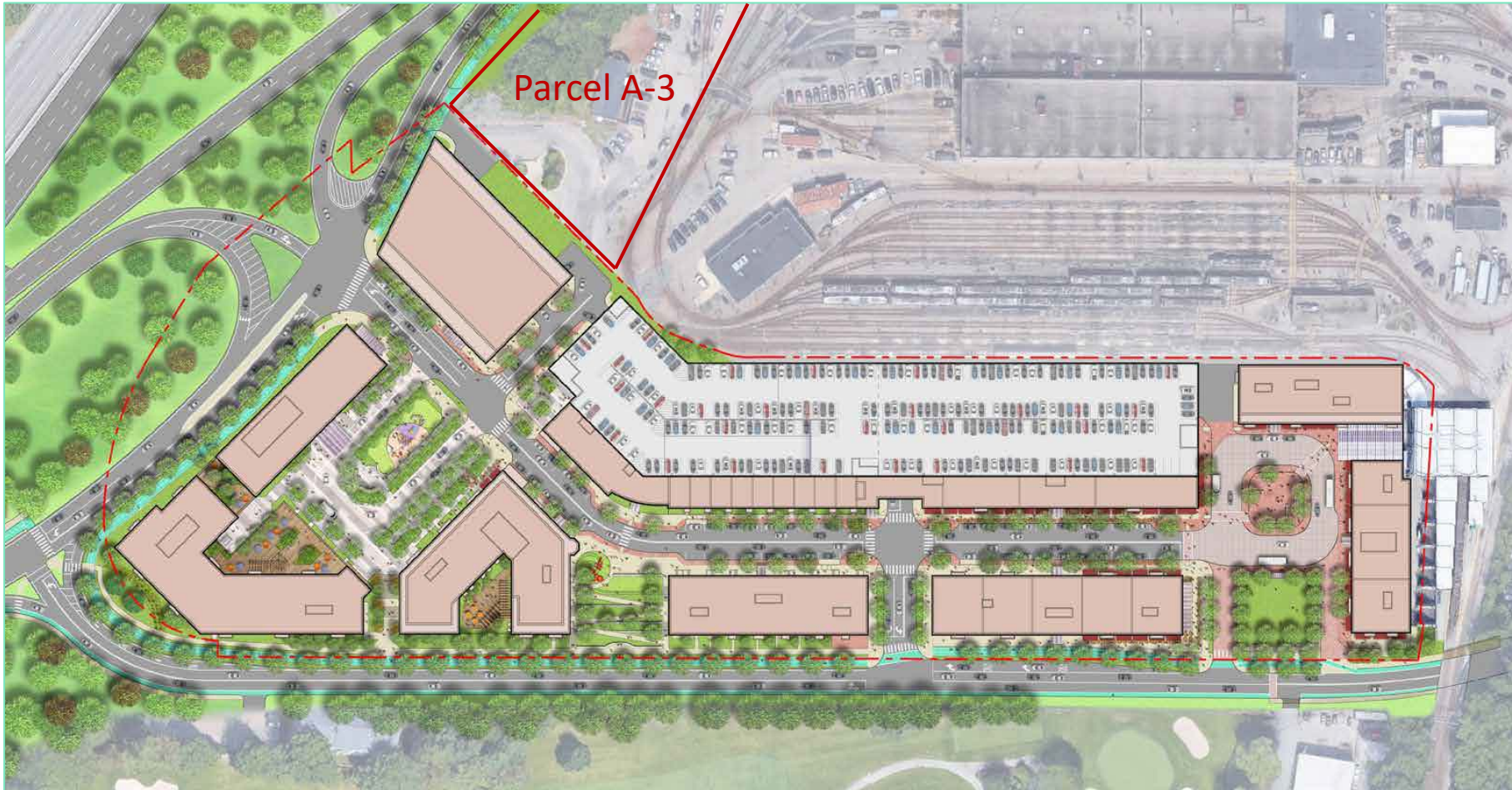


# Existing Conditions





# Proposed Project



- 1.025M sf
- 582 Apartments, 103 Affordable
- 254,000 sf Office
- 150-room Hotel
- 39,000 sf Retail
- 1990-car Garage serves MBTA and private needs
- New ramps to I-95



# New MBTA Facilities

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- **Parking:** Tenant will construct garage (Intermodal Commuter Facility/ICF) to replace surface parking
  - ICF includes 1,990 total parking spaces, with minimum of 958 dedicated MBTA parking spaces
  - The ICF ground floor will contain passenger pickup and drop-off areas, including accessible spaces closest to the station, and a 1,000 square foot intercity bus facility
  - The garage will be designed to accommodate solar panels at the top level and electric car plug-ins
  - Design and operations/maintenance standards developed in coordination with Parking Operations
- **MBTA Office Space:** Tenant will provide space for MBTA use
  - 2,500 square feet for GL Operations office, training and dispatch space, and 7,500 square feet for GL Vehicle Maintenance/Engineering Operations office and training space. Both are at developer's cost (MBTA pays operating expenses only).
  - Tenant must also provide the MBTA a right of first offer for additional 15,000 square feet of leasable office space within the project. This would be at market rent.



# Operations Impacts: Green Line

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- **Capital Delivery, GLT, Bus and Parking Operations and Service Planning have conducted extensive design review, which will continue as project is refined**
- **Green Line Operations:**
  - Station entrance: new canopy, redundant elevators, accessible ramp, and MBTA-approved signage
  - MBTA to retain Parcel A-3 (1.75 +/- acres) (originally intended to be conveyed to developer) for Riverside Yard track reconfiguration, which GLT estimates will begin in December 2024
    - Removal of substantial ledge and grading/paving will be completed by Developer, at their cost. During construction, the Developer will utilize this area for laydown.
  - Upgraded, direct yard access for train delivery/decommissioning and regular deliveries off Recreation Road and in final condition, from I-95
  - Throughout construction, continuous access to the Station and a minimum of 450 parking spaces
    - Riverside and Woodland will provide parking capacity at 2019 levels





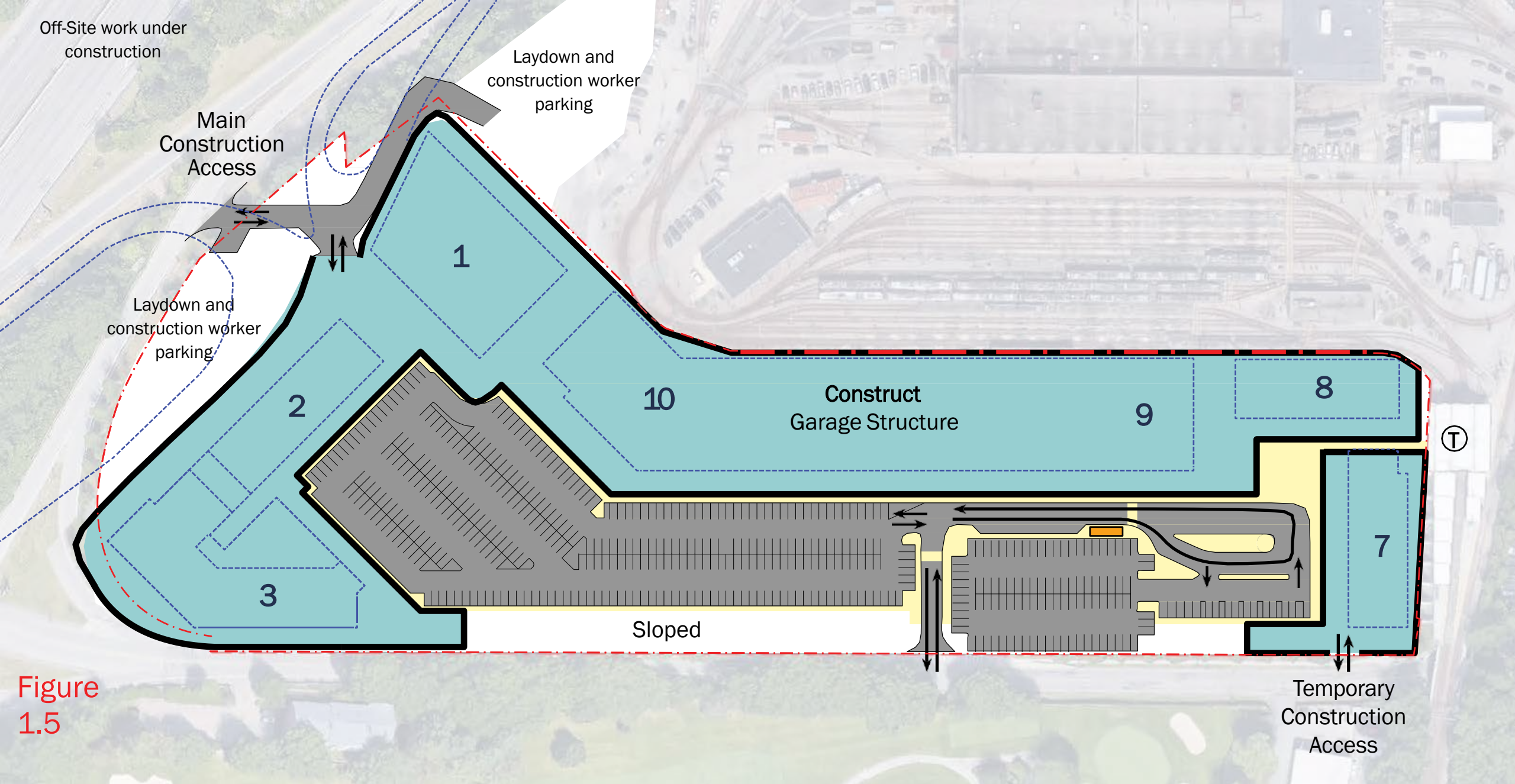


Figure 1.5

Vertical Construction (months 11-28)

# Operations Impacts: Bus, The Ride

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- **Bus Operations:**

- Tenant will create a new transit square adjacent to station for intermodal use
- The transit square has priority berthing for MBTA buses, The Ride, and accessible drop-off/pick-up. All dimensions are engineered with proper turning radii and curb lengths, and conduit for future bus charging
- Provision made for diversions and emergencies using a separate exit to Grove St
- Private shuttle buses enter the transit square via the garage and have berths at the rear of the loop

- **The Ride:**

- The Ride will have priority loading space at the curb closest to the Station, as well as spaces in the garage for transfers to MetroWest Ride









# Transit Square



# Financial Terms

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- **Rent**

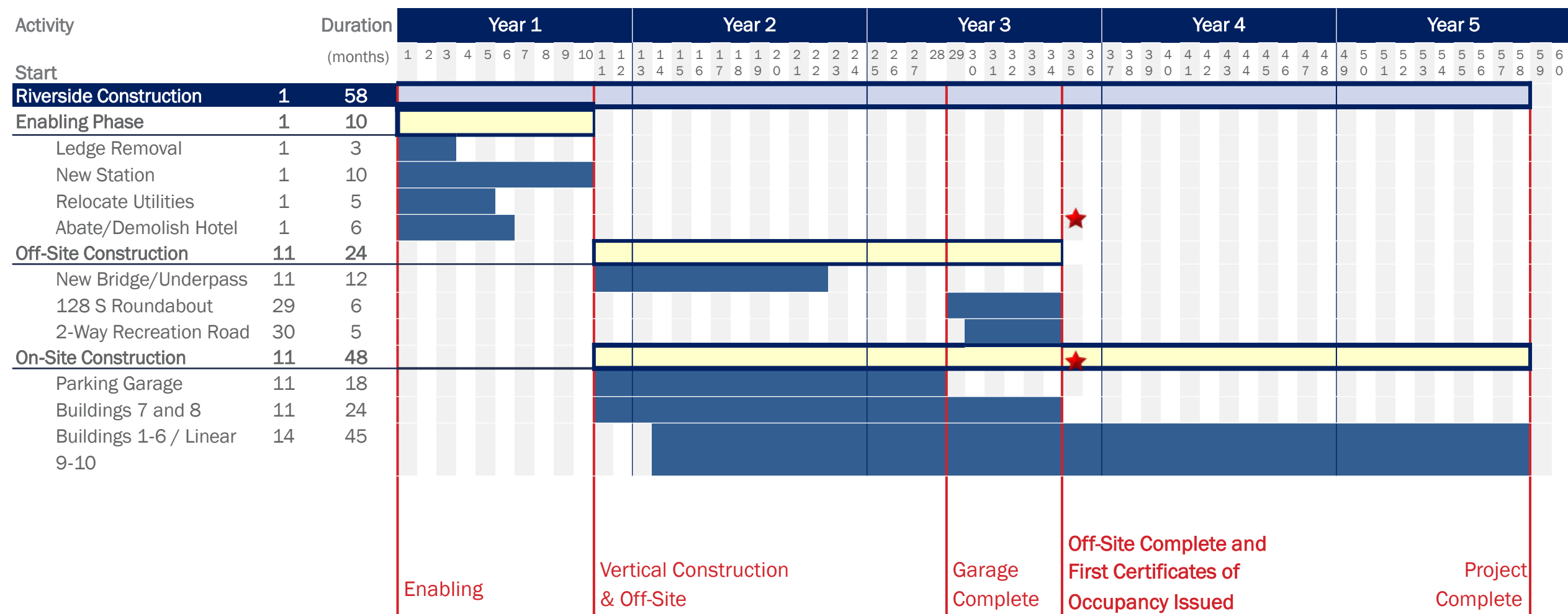
- Tenant paid the MBTA \$750,000 per terms of a Forbearance Agreement in 2019, and will pay an additional \$250,000 to the MBTA upon accepting the form of the Amended & Restated Lease
- Tenant will pay the MBTA lease extension payments that increase over time, but closing on the amended lease must occur no later than summer 2023
- Total payments will be in the range of \$24.5 to \$25.1 million depending on time of closing. This represents the NPV of base rent due under the 85-year term of the lease

- **Operations and Maintenance Costs**

- ICF: MBTA will only contribute current cost (escalating with CPI) of maintaining the surface lot towards operating/capital expenses of the garage; Tenant will absorb any incremental expense. Each building will pay a base fee sufficient to support garage operations
- Roadways: Tenant will be responsible for maintaining all roadways at tenant sole cost through a Reciprocal Easement Agreement



# Timeline





# Request of the Fiscal and Management Control Board

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That the General Manager be, and hereby is, authorized in the name of and on behalf of the Massachusetts Bay Transportation Authority, to:

- (a) negotiate and execute an amended and restated 85-year lease of a portion of the Newton Riverside MBTA Station and containing approximately 10.2 acres, with a new joint venture entity to be formed between Senlac Ridge Partners (successor to Normandy Real Estate Partners) and Mark Development, LLC, or its approved designee, for the construction of a mixed-use development consisting of office space, retail, and residential units and a structured parking facility on said Parcel and on an adjacent parcel owned by tenant's affiliate;
- (b) enter into such lease and any other necessary documents on such terms and conditions as the General Manager and General Counsel deem necessary and/or advisable; and
- (c) take any and all actions necessary and/or advisable to effectuate the foregoing consistent with the attached Term Sheet.

