



**Massachusetts Bay  
Transportation Authority**

# Riverside Transit-Oriented Development Update

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Richard Henderson, Chief Real Estate Officer

MBTA Board August 22, 2024

# Agenda

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- Recap of existing conditions and currently-approved project
- Recap of our goals and efforts over the past year
- Review of new proposal
- Project schedule
- Rent
- Requested Vote

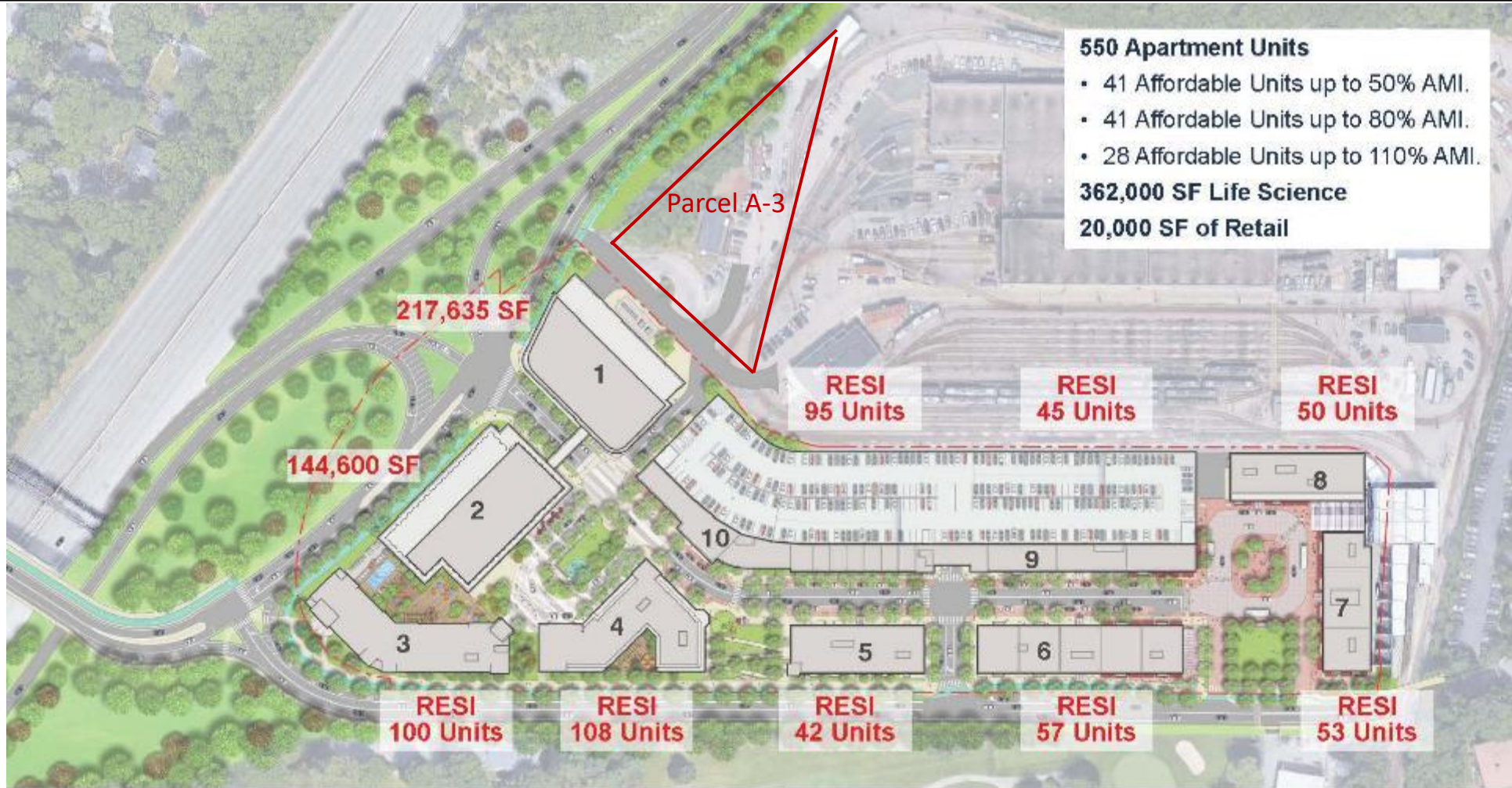


# Existing Conditions





# Currently-Approved Project



- Mixed Housing/ Life Science
- 550 Units
  - 110 affordable
- 1970-car garage with 958 MBTA spaces
- Replaced affected MBTA facilities

Riverside Regional TOD (2021 Special Permit Approval)

MARK DEVELOPMENT

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# March 2023 Board Action

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- Developer asked for relief based on economic conditions of higher interest rates and slowdown in life science make the proposed project unattainable.
- Prior terms required a closing by August 31, 2023.
- Board extended the Outside Closing Date to August 31, 2025, with payments accruing to rent paid at closing.



# Our Goals Since Spring of 2023

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- Help meet the Commonwealth's housing goals
- Secure a least 650 MBTA spaces in final condition
- Provide capacity in the site plan to build additional parking if future demand increases, and to provide flexibility and project savings at station rebuild
- Structure financials to help close financial gap while maintaining the original business deal on a \$ per square foot basis





# New Residential-Only Phase 1 Proposal



- Approx. 545 units
  - 20%-25% of which will be affordable
- 650 MBTA spaces
  - ~530 surface
  - ~120 shared in garage





# New Mixed Use Phase 2 Proposal



Phase 2A Alt Concept  
Riverside Station  
Newton, Massachusetts



- Minimum 175KSF/  
minimum rent based  
on 225KSF
- 150K office/lab  
building with +/- 100  
Housing Units
- 650 MBTA spaces
  - ~297 surface
  - ~218 nested in garage
  - 135 shared in garage





# Project Schedule and Deadlines

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- **Phase I**
  - **Permitting:** Complete by August 31, 2026
  - **Closing:** No later than February 1, 2027
  - **Surface Parking:** Completion of MBTA surface lot no later than September 1, 2027
- **Phase II**
  - **Permitting:** Submission Deadline of August 31, 2028
    - Rights to Phase II will terminate if permit submission deadline is not met
  - **Closing Date:** No later than August 31, 2030
    - Phase II cannot commence unless Phase I garage is complete & operational
- **Phase II Garage Construction:**
  - **Commencement Deadline:** March 1, 2031
  - **Completion Deadline:** March 31, 2033
  - **Extension with Liquidated Damages:** 1 additional year is allowed
- **Termination Clause:** Rights to Phase 2 will be terminated if the garage is not completed by March 31, 2034.



# Ground Rent

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- Based on original lease's annual payments as escalated, converted to one-time up-front payment.
  - Original base rent was based on 600,000 Square Feet
- Calculated by applying the per-square-foot (PSF) value at the year of closing to the actual square footage, with a minimum payment based on 175,000 SF for Phase 1 and 225,000 SF in Phase 2.
- Developer to pay option rent on Phase 2 at 5% of the rent that will be due at Phase 2 closing.



# Requested Vote

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**VOTED:** That the General Manager is authorized on behalf of the Massachusetts Bay Transportation Authority (“MBTA”) to negotiate and execute an amendment to the Amended and Restated Forbearance Agreement dated December 30, 2019, to provide for the construction by the Tenant of a two-phase project on the Parcel as described in the materials reviewed by the Board on August 22, 2024, and to take all actions necessary and/or advisable to effectuate the foregoing consistent with the terms of the materials reviewed.

