

\$500M Fenway Project To Start In 2014

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Construction on one of Boston's largest new redevelopment projects, the roughly \$500 million Fenway Center, is slated to begin remaking an entire section of the neighborhood the Red Sox call home by the start of 2014.

When complete, the new mini city near Fenway Park will bring 550 apartments, retail and office space and two parking garages in five buildings in an area between Beacon Street and Brookline Avenue.

John Rosenthal, the project's developer, will pay the state \$226 million in rent for 99 years to lease the state-owned land and air space atop the Massachusetts Turnpike. He will provide an initial \$5.5 million payment, with the balance being paid over the remainder of the lease. His project, when complete, will provide about \$5 million in property taxes annually to City Hall. Over the lifespan of the 99-year lease, through sales, taxes and other commerce, the project should generate about \$2 billion in economic development funds, Rosenthal said.

The first phase of the project has 420 apartments in two buildings, along with 50,000 square feet of retail and the two garages, one on land and one on decking to be built atop the Massachusetts Turnpike.

Phase I will cost about \$290 million. The first apartments could be ready for occupancy by 2016, and the second batch by 2017, Rosenthal told Banker & Tradesman. Then, Rosenthal will build a 27-story tower with offices, residences and retail space above the Turnpike.

Bentall Kennedy is Rosenthal's equity partner in the project, and the firm is providing 100 percent of the balance of the project's financing, so all the financing is in place for the first phase, Rosenthal said. He is hopeful the company will remain his equity partner for the second phase, which Rosenthal said is roughly \$200 million, but it's still too far off to know for sure. Rosenthal said it is especially fitting that Bentall, which manages union pension fund dollars, will help "put 1,800 union workers back to work." The project will also provide about 200 permanent jobs.

Rosenthal will also build enough solar photovoltaic panels on his garage roof to provide about 220,000 kilowatt hours of power, which he will use to fully power the nearby Yawkey commuter rail station that is being fully renovated and should open by December. The train station is more than 60 percent complete, and the two new full-length platforms will allow for about 40 stops per day, up from just 17.

"I believe Fenway Center will be where the pebble drops for transit-oriented and [renewable energy] development in the commonwealth," since it is also near two Green Line T stations and will feature bike share stations and Zipcars, Rosenthal said.

All permits for the first phase are in place except the building permits from the city and state. The state permits are necessary for the 100,000-square-foot deck that will be built atop the Turnpike to support the project.