

City of Waltham

Jeannette A. McCarthy
Mayor

CITY OF WALTHAM
CITY CLERK'S OFFICE

2018 MAR -7 P 4: 33

RECORDED

March 7, 2018

TO: The City Council
RE: 230-240 Moody Street, Waltham

Dear Councillors:

We have reviewed the enclosed proposals in relationship to City Council Order #33837:

1. The number of existing parking spaces on the 2 plans don't match.
2. The number of existing parking spaces don't match, 35 or 36? And, one of the parking spaces listed is in our driveway, which can't be.
3. They are proposing to move our sidewalk. Ok, but want it known.
4. Council Order Bullet #1 - what is the correct number of existing parking spaces, 35 or 36?
5. Council Order Bullet #2 - what is the correct number of parking spaces, 35 or 36?
6. Council Order Bullet #3 - complied with.
7. Council Order Bullet #4, a 99 year lease or lump sum payment - No lease term is mentioned and payment is up to \$1M, as opposed to a specific payment amount. Proposal needs both special permit conditions and lease conditions. FAR increased by 6 (instead of 2.5). FAR a separate issue as to who can vary, if at all. A guaranteed payment on lease and special permit conditions are needed. \$30K not a City benefit, because it relates to maintaining security for their own deck, not Embassy or City property.
8. Council Order Bullet #5 - proposal does not mention lease term. Need an Air Rights lease and easements. Both required. The proposal expects the City to surrender its existing easements. Not recommended. Cannot give those up, we need those for our parking and access.

We are not sure if they are using Embassy Park for themselves, since variances are involved for side and rear yards. But, they agreed to do it over.

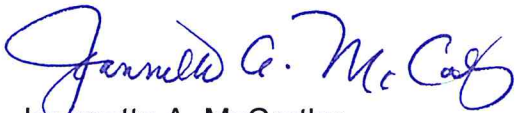
The issues relating to any special permit, I will leave to the City Council, including number of parking spaces needed for each of the uses and FAR, etc.

Once you clarify the above, the proposal will go back to the Traffic Commission for two things: 1. Surplus declaration for the areas greater than what was declared surplus already, and 2. Surplus declaration for the easements for the supports, once they are actually identified.

I recommend resolving ASAP the above issues related to air rights or easements in your 5 bullet Order, exclusive of ZBA or City Council special permit, so that a new RFP can issue for the new air rights space and the easements for supports. A lease and easement(s) will be drafted.

Attorney Azadi is available to answer any questions you may have.

Sincerely,



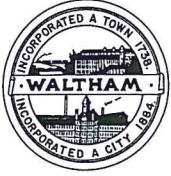
Jeannette A. McCarthy

JAM/ccb

Enclosures

cc: Patricia Azadi, First Assistant City Solicitor
Michael Colomba

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CITY CLERK'S OFFICE



CITY OF WALTHAM IN THE CITY COUNCIL

610 Main Street Waltham Massachusetts 02452

Order # 33837

Ordered:

That the City Council, in response to the Mayor's request, recommends Proposal A of the RFP for leasing air rights above a portion of the parking lot located at 230-234 Moody Street and that the City Council respectfully requests the Mayor to work toward an agreement as expeditiously as possible.

If the Mayor is unable to proceed on Proposal A as submitted, the City Council hereby respectfully requests that a new RFP be issued for the air rights as soon as possible that would:

- Have the City continue to own and collect parking fees from the existing ground level parking
- Not require the respondent to provide public parking spaces over and above those already existing in the City of Waltham ground level parking
- Allow the respondent to construct not more than two (2) levels of parking in the air rights
- Provide for annual lease payments or a lump sum payment by the respondent
- Have a lease term of 99 years

Read and Adopted: **September 25, 2017**

Attest:

February 26, 2018

Mayor Jeannette A. McCarthy
City of Waltham
610 Main Street
Waltham MA 02452

RECEIVED

FEB 28 2018

MAYOR'S OFFICE

RE: Proposed Hotel, 210 Moody Street, Waltham
Air and Ground lease/easement for proposed Parking Deck

Dear Madam Mayor,

Thank you for the opportunity to update you on our proposed Hotel at 210 Moody Street. We have attached site plans and renderings together with a preliminary summary of the zoning and permitting anticipated for the project. In addition, we have provided our concept plans for the proposed parking deck which we hope to work cooperatively with the City to grant us rights to build. We believe that this hotel will be a real asset to Waltham and the downtown businesses and look forward to our continued dialogue to bring this project to fruition.

HISTORY

The site is developed with a one-story building and was formerly occupied by several businesses including Anderson Florist, Jake's Dixie Roadhouse, The Rail Yard, Aisle 9, and a toy store (The Construction Site). A small paved parking area for 5 to 6 vehicles is located on-site to the rear of the building. This parking area is contiguous to a larger municipal parking area, on the site of the former Embassy Theater, owned by the City of Waltham. The site was purchased by 200 Moody Street LLC with the intent to develop the site with a four-story mixed-use building with retail on the first floor and residential units on the upper floors. 200 Moody Street, LLC received approvals from the Board of Appeals, the City Council and the Conservation Commission for that development and then found that due to development constraints and construction premiums for construction at this location, the development was no longer financially feasible. The site was then sold to MICOL, LLC anticipating that construction of a small hotel with air rights over the municipal parking lot to expand the project buildout would make a project more viable.

PROPOSED DEVELOPMENT

Micol LLC proposes to develop a 64 room 5 story hotel plus one unit for personal residence on the sixth floor. The structure would be approximately 70,000 sf. The first floor of the hotel would be dedicated to a single restaurant with indoor and some outdoor seating in a plaza contained within the property along the Charles River and hotel lobby with check-in center for arriving/departing hotel guests. The basement would be used for service related activities supporting the hotel operations and maintenance. Second floor through the fifth floor would consist of 64 hotel rooms, or 16 units per floor with a varied design to accommodate various hotel stay needs. A personal residence would be the only structure on the sixth floor and would consist of a three-bedroom apartment. A single parking deck would be constructed at the rear of the hotel which together with the ground floor will provide 71+- parking spaces for the hotel and apartment, the existing 35 spaces that presently occupy the City's parking lot will remain

available for the general public. One-way access is proposed from Moody Street with a ramp down to the lower level of the parking deck. Presently there is an easement that allows access to the rear of the Moody Street property through the City Parking lot.

REQUEST FOR PROPOSED AIR AND GROUND LEASE/EASEMENT

The parking structure would require a lease/easement for the necessary structural columns, grading and utility installation to construct a single deck over the existing municipal parking area in the rear of the property. We would envision that the present easement would be abandoned and a new lease/easement placed on the property to allow for the construction, use and maintenance of the parking deck. Combined parking on the deck and within the basement of the proposed building will provide approximately 71 parking spaces for the exclusive use of the guests of the proposed hotel. Other than structural columns and minor modifications, the city's current parking spaces will remain and will continue to be available to the public with no negative impact. It is anticipated that the City will grant a temporary staging area during construction as part of this lease/easement for up to 18 months.

PERMITTING

For this project to be viable a number of local, state and federal permits will be required. The required permits have been listed in the attachments and include the Board of Appeals, the City Council, the Conservation Commission and other local departmental reviews. It is expected that the lease/easement of the air and ground rights be conditioned upon approval of all the necessary permits.

FINANCIAL CONSIDERATIONS

The proposed development will replace a blight in the downtown in addition will positively revitalize the downtown which will encourage business growth to the other Moody Street businesses. In consideration of granting of a lease/easement over the municipal property. Micol LLC proposes that in lieu of a monthly rent/fee Micol LLC would agree to invest up to \$1,000,000 for improvements to the Embassy Park and the construction of a plaza and Riverwalk adjacent to the Charles River, see attached proposed renderings. In addition, Micol LLC will manage, maintain surveillance and provide utilities to the parking deck. Micol LLC will also agree to maintain the Embassy Park, and Riverwalk's landscaping, snow removal, trash collecting and maintenance improvements for the duration of the lease/easement agreement.

Micol LLC investing as much as \$1,000,000.00 in improvements on this site as a substitute of investing in other real estate or other forms of investment would have a value of 7.5% to 10% return on investment, an average of \$85,000.00 per year value. In addition, the worth of year round maintenance would have value of \$30,000.00 per year which combined costs would be considered fair compensation for fees/rent in exchange for the air ground lease/easement.

Thank you in advance for your consideration

Sincerely,


Michael Colomba
MICOL LLC

210 Moody Street Hotel Required Permits

Local:

Waltham Board of Appeals

Special Permit – Parking on adjacent lot

Variances:

Front, rear and side setbacks

FAR greater than allowed by Special Permit from City Council

Within 10 feet of a public pedestrian way

Open space less than required with City Council Special Permit

Waltham City Council

Special Permit

Use - Hotel

Increase in Intensity of Use

Fuel Storage License – parking garage

Waltham Conservation Commission

Notice of Intent – buffer zone

Waltham Engineering Department

Engineering Review

Inflow and infiltration

Waltham Historical Commission determination of historical value

Fire Department Review

CPW

Curb cut permit

Road opening permit

Waltham Building Department

Demolition Permit

Building Permit

State:

MaDEP

Air Quality

Federal:

None

Miscellaneous:

License agreement with City of Waltham for improvements to plaza and Embassy Park and outdoor seating

License agreement with DCR for improvements to the plaza and outdoor seating