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November 9, 2017

Via email to <u>frank.taormina@state.ma.us</u>

Frank Taormina
Waterways Regulation Program
Department of Environmental Protection
One Winter Street, 5th Floor
Boston, MA 02108

Re: Boston Autoport – Mystic Pier Waterways License Application

Dear Mr. Taormina,

Thank you for the opportunity to comment on the Autoport – Mystic Pier Chapter 91 License Application. Boston Harbor Now's planning and policy team was present during the October 26 public hearing and has reviewed the accompanying license application.

Diversified Automotive runs an impressive last-mile auto accessory operation at Mystic Pier. In 2016 alone, they processed and accessorized 63,000 vehicles to be sold locally and distributed throughout the New England region. We support Diversified's efforts to market a portion of the Mystic Pier site for non water-dependent commercial use. Our comments follow.

Project Description

Located at 300 Terminal Street, Mystic Pier includes a one-story building (A), a two-story building (B), fueling station, parking spaces, and open water across approximately 515,697 SF. The site is owned by Massport under a long-term ground lease to Diversified Automotive. As presented in the Waterways License Application, Diversified Automotive is proposing to lease the 60,000 SF mezzanine area of building A for commercial office use within the Mystic River Designated Port Area (DPA).

Our comments are focused on two keys areas of interest:

- Ensuring the economic benefits of the commercial tenant support the maintenance and upkeep of maritime infrastructure and businesses, and
- Ensuring the new commercial use does not conflict with existing maritime industrial businesses.

Designated Port Areas

According to The Massachusetts Office of Coastal Zone Management (CZM) Policy Guide, the two central principles of the State's Designated Port Area policy are to promote water-dependent industries as an important sector of the State's economy and to prevent the loss of areas that have key characteristics:

- Access to a commercially-navigable waterway and associated developed waterfront;
- Backland space for industrial facilities and operations; and
- Land-based transportation and utilities intended for general industrial purposes (Policy Guide p. 68).

There are three types of uses allowed within a DPA boundary: 1) water-dependent industrial uses 2) supporting DPA uses and 3) temporary uses.

Diversified is requesting to change the 60,000 SF mezzanine space in Building A and 60 parking spaces from a maritime water-dependent use to a non-water dependent supporting use. Supporting uses can be industrial or commercial, limited to 25% of the area of the project site, and must provide direct economic or operational support to water-dependent industrial businesses in DPAs. 310 CMR 9.02. The regulations consider commercial use compatible with DPAs except when that use conflicts with port operations or requires excessive consumption of port space.

During the October 26th hearing, Boston Harbor Now asked for clarification of the supporting DPA use calculations. As presented during the hearing and according to Table 1 of the license application, the proposed supporting use will occupy 48,000 SF or roughly 11% of the project site. We note that this is within the percentage allowed by DPA policy.

Commercial Office Use

As longtime advocates of the working port, Boston Harbor Now understands that maritime industrial businesses often lack the capital to invest in and improve existing infrastructure and often rely on additional income to maintain operations. We support Diversified's request to market a portion of the Mystic Pier site to nonwater-dependent commercial office users.

A non water-dependent tenant in the mezzanine space has the potential to provide direct economic support to Mystic Pier and its current water-dependent industrial businesses. During the public hearing, we were once again encouraged to hear that lease payments received from the proposed commercial office tenant will be directed towards maintenance and upkeep of critical infrastructure in support of existing water-dependent businesses on the Pier.

Conflict with Existing Maritime Tenants

Earlier project filings identified possible conflicts between existing water dependent uses and any potential new commercial tenant:

- The use of 60 spaces in the existing paved parking lot
- An additional 2,168 vehicle trips generated per day, and the
- Size of and composition of the proposed operator

At the time of the Chapter 91 hearing, the proponent had not yet secured a non water-dependent commercial use tenant—largely due to the yet-to-be licensed status of the space. During the earlier MEPA review process, Diversified felt strongly that a showroom or similar operation would be an ideal use of the mezzanine space. We continue to support the idea that a low volume business with less frequent visitors would be a preferable tenant for the area.

Earlier this year, Boston Harbor Now commented on Diversified Autoport's Waterways License Application #W17-4900-N and #W17-4899N proposing to temporarily use two areas on their site as parking lots. We continue to support both the temporary use of the parking lot and the current request to use 60,000 SF for commercial use. We see these uses as having the potential to provide short-term benefits in support of the overall purpose of DPAs—to promote and maintain marine water-dependent industrial uses.

Thank you for your time and consideration.

Sincerely,

Jill Valdes Horwood Director of Policy