

Developers poised to pull triggers

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The deep freeze that's kept developers and investors on the sidelines for the better part of two years appears to be thawing, as a roster of massive residential projects is expected to break ground in Greater Boston over the next two quarters.

In most cases, the projects have been on the books from a zoning and public-planning standpoint for several years but were mothballed once the housing downturn and financial crisis of 2008 took hold. Many of them have since undergone changes in scale and mission, with the most common theme being a conversion from the once-lucrative prospect of offering high-end condominiums to more moderate plans featuring rental units for young workers on the go.

Nearly all of the projects are driven by the region's insatiable appetite for convenient and competitively priced rental housing.

The news is creating buzz among the region's many service providers: construction executives, public planning officials, real estate lawyers that often are the first called to action in the frenzied weeks leading up to a project's formal groundbreaking. In turn, the uptick in business, albeit modest to date, is being widely interpreted as a sign that the market has bottomed out and is staged for a solid recovery.

Clients are asking us to dust off the numbers, update the numbers. It's promising, said **Mark DiNapoli**, Suffolk Construction's president of the New England region.

In Boston alone, a handful of projects promises to flood the market with more than 2,000 rental units as well as a smattering of smaller, ground-level retail spaces. Nearly all of those developments are fully permitted and designed; most are expected to formally break ground within the next six months, according to sources.

Real estate experts say similar projects are getting bumped up the priority list, as developers fear missing their window of opportunity. Among the projects with renewed urgency of late are [New Boston Funds](#) plans for a 325-unit residential development in Chinatown, as

bids were recently solicited for initial architecture and construction services, according to sources. Another big plan, the 200-unit AvalonBay development off Route 3A in Cohasset, also is expected to advance in the near term, according to sources.

Im not sure anyone wants to be first, but everyone wants to be close to first, said DiNapoli, who confirmed that Suffolk is contracted or in negotiations to work on many of the projects expected to hit by the spring.

Among the projects nearing full-fledged construction, the largest is the so-called East Pier/Portside at Pier 1 development planned for East Boston. Submitted for [Boston Redevelopment Authority](#) review in 2001, the project has seen preliminary work advance in recent weeks and is expected to ramp up shortly. It is owned and managed by Roseland Property Co. and will comprise 938,000 square feet of space, including roughly 500 residential units.

Other major projects expected to break ground by April include:

Kensington Place in Chinatown: The 29-story tower, being developed by Kensington Investment Co. Inc., is slated to house 391 rental units.

Waterside Place in South Boston: [The Drew Co.](#) recently won BRA approval to proceed with a planned 21-story tower with 235 residential units and ground-level retail space.

319 A Street in the Fort Point Channel District: [Archon Group](#) and [Goldman Properties](#) are cleared for a 180-foot tower featuring 184 rental units and parking for 103 vehicles.

Avalon Exeter in the Back Bay: [Boston Properties Inc.](#) and [AvalonBay Communities](#) will add a 188-unit residential tower to the Prudential Center.

Bulfinch/Simpson Parcel 1 in the West End: Trinity Financials plans include 284 rental units as well as parking and retail facilities.

Steven Schwartz, a real estate lawyer in Boston, said the flood of local residential projects is targeting a growing demographic renters

by choice in one of the few U.S. cities offering impressive returns to property investors. He said construction financing is still elusive to many developers, although Greater Boston's lack of housing supply and strong demand, led by its university and health care populations, make it a relatively safe bet for lenders.

The Boston market and (Washington) D.C. market are the hottest right now, said Schwartz, a director within [Goulston & Storrs](#) multifamily team. People are going to do what they can to get a piece of that.

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