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May 9, 2008

CERTIFICATE OF THE SECRETARY OF ENERGY AND ENVIRONMENTAL AFFAIRS
ON THE
NOTICE OF PROJECT CHANGE

PROJECT NAME: Everett Avenue Urban Revitalization and Development
Project
PROJECT MUNICIPALITY: Chelsea
PROJECT WATERSHED: Mystic River
EEA NUMBER: 11511
PROJECT PROPONENT: City of Chelsea
DATE NOTICED IN MONITOR: April 9, 2008

Pursuant to the Massachusetts Environmental Policy Act (M. G. L. c. 30, ss. 61-62H) and Section 11.10 of the MEPA regulations (301 CMR 11.00), I have reviewed the Notice of Project Change (NPC) submitted on this project and hereby determine that it **does not require** the preparation of an Environmental Impact Report (EIR).

The project involves the phased redevelopment of a 64.8 acre area of the City of Chelsea, known as the Everett Avenue Urban Redevelopment Area. The project site is comprised of 102 separately assessed parcels. Ownership within the project area is held by 50 individual property owners, including the City of Chelsea and the Commonwealth of Massachusetts. The project has been divided into 10 sub-areas or blocks for review purposes. The NPC has been filed because the currently proposed residential development in Blocks 9 and 10 is denser than previously anticipated; because the phasing of projects in the EAURA has changed; and because several parcels have been added to the EAURA.

Project Description

The Everett Avenue Urban Renewal Area (EAURA) was established by the City of Chelsea pursuant to M.G.L. c. 121B in 1998. The City of Chelsea submitted an Environmental

Notification Form (ENF) to MEPA for the EAURA project in March of 1998. In response to the ENF, the Secretary issued three Certificates: a Certificate on the ENF (April 10, 1998), a Certificate Establishing a Special Review Procedure (SRP) for the project (April 10, 1998), and a Final Record of Decision (FROD) granting a Phase I Waiver (May 15, 1998). The Certificate on the ENF established broad scope jurisdiction over the project, due to the use of state financial assistance by the City.

Phase I consisted of approval of the EAURA Urban Renewal Plan, land acquisition, acquisition of permanent roadway easements on all existing private roadways in the project area, site preparation, public infrastructure improvements, and the development of a hotel with surface parking spaces. The FROD for Phase I waived further MEPA review for the first phase of the EAURA redevelopment. Phase I of the project was substantially complete in 2001.

The Master Plan EIR was submitted in May of 2001. The Master Plan EIR described Phase II as having two components: 1) a new development in the block bounded by Everett Avenue, Maple Street, Beech Street and the MBTA tracks (Block 7), and 2) a new hotel to be built on the block bounded by Carter Street, Everett Avenue, Maple Street and Beech Street (Block 6). The third phase was identified as a "full build" phase where the City of Chelsea would determine the amount of private development that would be allowed in the project area based on newly adopted zoning districts and infrastructure improvements that would be completed in earlier phases. The full build implementation of the EAURA was expected to eliminate auto junkyards in the area and reduce heavy industrial and retail usage while increasing light industrial, office, residential, restaurant and hotel uses.

Following MEPA approval of the Master Plan EIR in June 2001, it was anticipated that private developers would come forward with proposals for the balance of the EAURA. At the time of the approval of the Master Plan EIR, the Secretary issued a modification to the April 1998 SRP. The modified SRP required that each proposed development in the EAURA file Project Review Documents (PRDs) with the City. In addition, if a proposed development exceeded any MEPA threshold by itself, the PRDs are required to be submitted to MEPA.

Project Change Description

The Proponent has submitted the NPC pursuant to the modified SRP, because the proposed residential developments are larger than the original analysis for Blocks 9 and 10 and are therefore not consistent with the analysis in the Master Plan EIR. The NPC also provides an update on what redevelopment projects have occurred to date in the EAURA, and an update on infrastructure improvements that were recommended in the Master Plan EIR. Changes to the EAURA since the review of the Master Plan EIR that are outlined in the NPC include:

- Updated proposed EAURA development at build-out, including the infrastructure and utility improvements that have been made;
- Detailed EAURA block-by-block update;
- Addition of parcels to the EAURA;
- Detailed description of EAURA Block 9 and 10 projects; and,
- Updated description of EAURA project phasing.

The Proponent has defined a project for Blocks 9 and 10 that involves an increase in the density initially noted in the Master Plan EIR for the residential development. The Master Plan EIR anticipated that Block 9 would have 108 residential units comprising 115,805 sf. Block 10 was proposed to have 135 residential units comprising 168,457 sf. As outlined in the NPC, 374 units comprising 546,628 sf are now proposed on Block 9 and 285 units comprising 370,263 sf are proposed on Block 10. There will also be a small retail component at the corner of Heard Street and Spruce Street in Block 10.

The EAURA boundary is changing slightly due to the addition of several new parcels. The City intends to add 6 small parcels totaling 21,643 sf near Blocks 9 and 10 which will slightly expand the EAURA boundary on the northeast side. The Proponent states that the addition of these parcels will help to better integrate the proposed residential development at Blocks 9 and 10 with the adjoining residential development. The City will be preparing and submitting to DHCD the appropriate filing noting this small Urban Renewal Area expansion.

The phasing of the EAURA development program is changing with the projects on Blocks 9 and 10 moving forward now. Originally it was anticipated that the redevelopment of Blocks 6, 7 and 8 (Phase II) would be developed in advance of Blocks 9, 10 and 11 ("Full Build"). The Block 9 and 10 projects are now considered the new Phase II. The Proponent states in the NPC that though the City of Chelsea had anticipated completing all projects within the EAURA by 2009, market conditions and general interest have made that not possible. The City is still committed to the implementation of the projects and infrastructure improvements outlined in the Master Plan EIR and anticipates that the redevelopment of Blocks 9 and 10 will serve as a catalyst for future development projects in the EAURA.

The NPC also provided an update of improvements related to traffic, stormwater and wastewater that were recommended in the Master Plan EIR. The Proponent outlined improvement projects that have been implemented to date and outstanding requirements.

Review of Proposed Change

The NPC provides a discussion of how the currently proposed projects for Blocks 9 and 10 of the EAURA are in conformance with the objectives of the Urban Renewal Plan. The Proponent asserts that the project modifications are insignificant, because the uses in Blocks 9 and 10 will continue to be residential, existing deteriorated uses will no longer occupy the property, and because previously analyzed traffic impacts of the residential development were overestimated.

Traffic

The project requires an Access Permit from the Massachusetts Highway Department (MassHighway) for access to Route 1. The Proponent has prepared an updated Transportation Study with the NPC. The transportation study submitted with the 2001 Master Plan EIR did not take into account a mode share adjustment for transit or pedestrian/bicycle use. In the NPC, the Proponent states that given the close walking distance of the EAURA to the Chelsea commuter

rail station and local and express bus stops, traffic generation estimates in the EIR were overestimated. Blocks 9 and 10 are within a quarter mile of the Chelsea MBTA commuter rail station that connects to North Station in Boston and bus lines.

In the NPC, the Proponent has adjusted the project trips as presented in the Master Plan EIR and in the NPC to reflect a 34% transit mode share and a 10% walk/bike mode share based on 2000 U.S. Census Journey to Work data for the City of Chelsea. The Executive Office of Transportation (EOT) has indicated that it supports this methodology. The previously proposed residential development on Blocks 9 and 10 was anticipated to generate 1,724 average daily trips (adt) (using 6th Edition Institute of Traffic Engineers (ITE) trip generation rates). When adjusted to reflect the transit and bicycle/pedestrian credit and updated ITE rates (7th Edition), this figure is reduced to 947 adt. According to the NPC, using unadjusted ITE trip generation rates, the currently proposed development is anticipated to generate approximately 4,339 adt. When adjusted to reflect non-vehicular modes, 2,320 new adt are anticipated. This represents an increase of 596 adt.

The updated traffic study submitted with the NPC demonstrates that the increased development will not adversely affect Level of Service (LOS) within the traffic study area. The study also shows that ongoing traffic mitigation efforts outlined in the Master Plan EIR are sufficient to handle project-related traffic. In its comments on the NPC, EOT states that the existing infrastructure and mitigation proposed in the Master Plan EIR can accommodate the increased residential units. The Proponent should note comments regarding the proposed connector between Beech Street and the Route 1 northbound on-ramp near Sixth Street.

Wastewater

Based on information presented in the Master Plan EIR, residential development in Blocks 9 and 10 was anticipated to generate approximately 41,995 gallons per day (gpd) of wastewater. According to the NPC, the currently proposed development will generate a total of 115,700 gpd; a net increase of 73,705 gpd. The project requires a Sewer Connection/Extension Permit from the Department of Environmental Protection (MassDEP). The Proponent states that the sanitary and storm drainage piping systems surrounding Blocks 9 and 10 will be upgraded and/or repaired in conjunction with the redevelopment of these blocks.

The NPC provided an overview of utility and infrastructure improvements that have been implemented since the review of the Master Plan EIR. This discussion included an update on upgrades to the City's combined sewer system. In the Master Plan EIR, the City committed to the implementation of a City-wide separation of its combined sanitary sewer. This project was forecasted to be complete by 2009 but has been revised to coincide with the elongated build-out timeline for the EAURA. The City has now developed a 30-year plan for separation of its sanitary and storm sewers. Since 2001 various assessments and reports have been prepared to evaluate the existing infrastructure. The plan includes establishment of a sewer bank. The Proponent states in the NPC that the bank currently has a positive balance of 1.5 million gallons per day. The existing balance will be used to enable projects within the EAURA to advance.

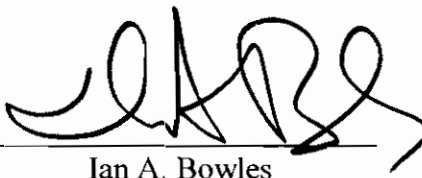
In response to comments on the NPC, the Proponent should provide MassDEP with an accurate accounting of the sewer bank flows and allocations to the currently proposed development so that the potential need for infiltration/inflow (I/I) mitigation measures can be determined. MassDEP has also requested additional information on the mitigation measures outlined in the Master Plan EIR and a schedule for the completion of improvements.

Conclusion

Based on a review of the information provided in the NPC, and after consultation with the relevant public agencies, I find that the potential impacts of this project change do not warrant further MEPA review. The Proponent should consult with MassHighway and MassDEP regarding the permitting of projects in Blocks 9 and 10 and should continue to coordinate with the MEPA office as appropriate for the remainder of development in the EAURA.

May 9, 2008

Date



Ian A. Bowles

Comments Received:

4/29/2008 Department of Environmental Protection, Northeast Regional Office
4/30/2008 Executive Office of Transportation

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