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December 29, 2006

CERTIFICATE OF THE SECRETARY OF ENVIRONMENTAL AFFAIRS ON THE FINAL ENVIRONMENTAL IMPACT REPORT

PROJECT NAME : Chelsea Commons (formerly Parkway Plaza
Redevelopment)
PROJECT MUNICIPALITY : Chelsea
PROJECT WATERSHED : Boston Harbor/Mystic
EOEA NUMBER : 13294
PROJECT PROPONENT : Parkway Plaza Venture II, LLC
DATE NOTICED IN MONITOR : November 22, 2006

As Secretary of Environmental Affairs, I hereby determine that the Final Environmental Impact Report (DEIR) submitted on this project **adequately and properly complies** with the Massachusetts Environmental Policy Act (G. L. c. 30, ss. 61-62H) and with its implementing regulations (301 CMR 11.00). No further MEPA review is required.

As described in the Expanded Environmental Notification Form (EENF) and updated in the FEIR, the project includes redevelopment and expansion of an existing 199,380 square foot (sf) shopping center, located on a 36-acre site located south of Route 16 (Revere Beach Parkway) and east of Route 1. The project is proposed in three phases.¹

- Phase I – redevelopment of existing structures to accommodate a 152,200 sf Home Depot store, including a 17,020 sf of outdoor garden retail space, and 62,000 sf of retail.
- Phase II – construction of a 238-unit apartment building with a 69,000 sf footprint on a 4-acre site. Includes construction of a 1-acre park. Phase II permitting has been completed.
- Phase III – redevelopment of 30,000 sf of commercial development on 6 acres including 3 restaurants and a pharmacy.²

¹ The project was previously proposed in two phases. Phase I included development of the Home Depot and Phase II included development of 100,00 sf of retail and restaurant space.

² Development related to Phase III has been reduced since the filing of the DEIR.

The 36-acre parcel is located in the southeast quadrant of the intersection of Route 1 and the Route 16/Revere Beach Parkway in Chelsea. Prior to redevelopment, it consisted of existing and abandoned uses located within two strip malls and on individual pads. It contains parking areas, roadways, forested upland area and Bordering Vegetated Wetland (BVW) along Mill Creek. The site has been subject to illegal dumping and vandalism. The site was formerly a brickyard and landfill and is contaminated and undergoing clean-up consistent with the Department of Environmental Protection (DEP) Chapter 21E program – the Massachusetts Contingency Plan (MCP). Although land adjacent to Mill Creek is heavily developed and Mill Creek is degraded, it supports spawning grounds for smelt, a federally listed species of special concern, and American Eel.

Potential project impacts are associated with the generation of 14,738 vehicle trips on an average weekday, generation of 64,194 gpd of wastewater, and work within the 100-foot buffer zone to Bordering Vegetated Wetlands (BVW), the 25-foot Riverfront Area and Land Subject to Coastal Storm Flowage or Bordering Land Subject to Flooding. The project will result in a relatively small increase in impervious surfaces from approximately 24.6 acres to 25.6 acres.

Major elements to mitigate project impacts include the restoration and creation of open space and significant roadway mitigation. The project will restore and create approximately 9.1 acres of permanently protected open space including the Mill Creek River Walkway and a 1-acre park associated with the residential phase of the development. The project includes salt marsh restoration in cooperation with the Chelsea Green Space and Recreation Committee and MassHighway. The project includes the following roadway improvements: modification of signal phasing, installation of new traffic signal controllers and other equipment at Broadway and its intersection with Webster Avenue, Stockton Street and Route 16 eastbound ramps; geometric improvements at the Webster Avenue/Parkway Plaza Driveway; reconstruction of Stockton Street, including crosswalks and sidewalks to the site drive; modification to the Webster Street/Route 1 intersection to improve truck turning radii and provide safe pedestrian connections; and commitment to a Transportation Demand Management (TDM) program. The proponent will contribute a minimum of \$448,007 to the City of Chelsea Infiltration and Inflow (I/I) fund to offset increases in wastewater generation. The majority of roadway and open space improvements were completed as part of Phase I.

MEPA Jurisdiction and Permitting Requirements

The project is undergoing review and requires the preparation of a mandatory EIR pursuant to Section 11.03 (6)(a)(6) of the MEPA regulations, because it will generate more than 3,000 new average daily trips on roadways providing access to a single location. The project requires Access Permits from both the Massachusetts Highway Department (MassHighway) and the Department of Conservation and Recreation (DCR) because the site abuts the state highway layouts of Route 1 and Route 16. The project requires a Chapter 91 License and a Sewer

Extension/Connection Permit from DEP. It may require a Direct Sewer Connection Permit from the Massachusetts Water Resources Authority (MWRA). The project may require federal consistency review by the Office of Coastal Zone Management (CZM). Also, the project requires an Order of Conditions from the Chelsea Conservation Commission and the Revere Conservation Commission.

The proponent is not seeking Commonwealth financial assistance to construct the project. Therefore, MEPA jurisdiction is limited to those aspects of the project within the subject matter of required or potentially required permits that have the potential to cause significant Damage to the Environment. In this case, MEPA jurisdiction covers traffic, wetlands, stormwater, wastewater and hazardous waste.

Procedural History

In accordance with Section 11.05 (7) of the MEPA regulations, the proponent submitted an EENF with a request that it be allowed to fulfill its EIR obligations under MEPA with a Single EIR, instead of the two-step DEIR and FEIR process. In addition, the proponent submitted a request for a Phase I Waiver to allow Phase I of the project to proceed prior to the completion of the EIR. The request for a Single EIR was denied and a Scope was issued for the DEIR on July 30, 2004. On August 23, 2004, the Secretary issued a Final Record of Decision (ROD), granting the Phase I Waiver request for construction of the Home Depot store.

Subsequently, an NPC was filed describing changes to the project and its phasing. Phase II (previously 100,000 sf of retail development) was revised to substitute 40,000 sf of retail development with a 248-unit apartment building. The remaining 60,000 sf of retail and restaurant uses was identified as Phase III. The NPC included a request to amend the previously issued Phase I Waiver by including the apartment building (Phase II). The Secretary issued a Certificate on the NPC on November 7, 2005 and a ROD granting the amended waiver request on December 9, 2005. While allowing the project to proceed, these documents reconfirmed the previously issued scope and the requirement to file an EIR for the entire project.

A DEIR was filed in July, 2006 and a Secretary's Certificate was issued on the project on September 1, 2006 allowing the proponent to proceed with filing the FEIR.

Review of the FEIR

The Executive Office of Environmental Affairs (EOEA) is supportive of this project because it consists of redevelopment and clean-up of a brownfield site in close proximity to transit. It will contain a mixed use development, including retail and middle income housing, important to the City of Chelsea. Significant mitigation commitments have been completed. The Certificate on the DEIR identified issues that needed to be addressed more comprehensively in

the FEIR including additional roadway mitigation, a concrete commitment to wastewater mitigation and a full and complete description of the project's stormwater management system.

The FEIR provides a more complete description of the project, its impacts and proposed (and completed) mitigation commitments. It includes a more specific commitment to wastewater mitigation, an expanded TDM program and additional roadway mitigation.

The FEIR describes the proponent's consultation with MassHighway to address previously identified concerns with the impacts of full build-out on the Webster Street/Route 1 intersection and it provides additional data regarding truck movements and queuing at this intersection. The proponent has committed to reconfigure the geometry of the intersection to accommodate left-turning trucks, improve vehicle queuing on the off-ramp and construct sidewalks for safe pedestrian access. In response to comments on the DEIR indicating that the TDM program should be strengthened, the proponent has committed to consult with the Massachusetts Bay Transportation Authority (MBTA) regarding provision of transit service to the site and has agreed to provide a bus stop on the site to support it. In addition, the proponent is exploring the development of a Transportation Management Association (TMA) for the Chelsea Commons site. I note that the TDM commitments described in the DEIR and FEIR are not included in the proposed Section 61 Findings for the MassHighway permit. I expect that MassHighway will incorporate these commitments into the final Section 61 Findings.

The project includes updated information regarding stormwater management. Stormwater runoff associated with the site will be discharged to Mill Creek via new and existing outlet control structures. Phase I of the project includes modifications to two existing outfalls (behind the Home Depot and within the wing wall of the DCR bridge) and construction of a new stormwater outfall located downstream, all of which were permitted and completed. Stormwater associated with Phase II will flow to a detention basin prior to discharge to the municipal system (located near Cabot Street and Gilooly Road). Phase III of the project includes construction of an additional stormwater outfall that discharges to the Mill Creek. This outfall will require an amended Chapter 91 permit from MassDEP and an Order of Conditions.

The FEIR describes the failure of the stormwater outfall constructed with Phase I of the project and describes efforts to rectify the problem, including removal of debris from the river and placement of appropriately sized material at the toe of the bank for stabilization. The FEIR includes a letter from the U. S. Army Corps of Engineers (ACOE) authorizing these efforts. The FEIR also describes how the project has been designed to address a pre-existing problem that contributed to erosion of the bank and exposure of debris. The FEIR indicates that the proponent does not intend to remove the exposed debris from the bank due to concerns about de-stabilizing the bank.

Comments from MassDEP and the Division of Marine Fisheries (DMF) continue to identify concerns with stormwater discharge and its impacts on Mill Creek and fish habitat. They indicate that the proponent should consider additional measures to minimize and mitigate stormwater impacts including the development of a fully planted buffer strip along Mill Creek and removal of exposed debris in the bank. I agree that some additional mitigation is warranted and expect that the proponent will consult with MassDEP and DMF regarding appropriate mitigation including additional cleanup and vegetation of the bank. Any restoration work will need to be considered within the parameters of the Massachusetts Contingency Plan (MCP) and the results of the Stage II Ecological Risk Characterization study.

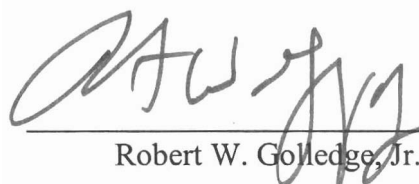
As required, the proponent consulted with MassDEP regarding wastewater mitigation prior to filing the FEIR. The FEIR indicates that the proponent will provide \$448,007 (based on \$8.20 per gallon of net new wastewater generation) to the City of Chelsea's Inflow/Infiltration fund. This contribution is intended to support projects that can offset the impacts of increased flows on existing wastewater infrastructure. Comments from MassDEP indicate that additional analysis of wastewater generation will be required during permitting to ensure that overall wastewater estimates and required offsets are accurate.

The FEIR indicates that the proponent will give further consideration to participation in the DEP Diesel Retrofit Program as a way to mitigate adverse construction-period impacts from diesel emissions. I continue to urge the proponent to participate in this program and, at a minimum, commit to the use of on-road low sulfur diesel in construction equipment to minimize air quality impacts to existing residential areas.

I have fully examined the record before me, including but not limited to the Scope issued on September 1, 2006, the FEIR filed in response and the comments entered into the record. Outstanding issues regarding wastewater and stormwater management have not been entirely resolved; however these issues can be addressed during project permitting and I expect the proponent will work cooperatively with state agencies to do so. I hereby find that the FEIR meets the standard for adequacy. No further review is required.

December 29, 2006

Date



Robert W. Golledge, Jr.

Comments Received:

8/25/06	Department of Environmental Protection/Northeast Region (MassDEP/NERO)
12/22/06	Division of Marine Fisheries
12/20/06	Executive Office of Transportation
12/22/06	Massachusetts Water Resources Authority
12/21/06	City of Chelsea

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