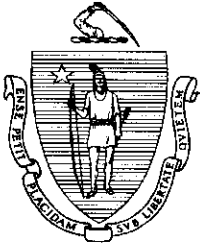


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June 16, 2005

DRAFT RECORD OF DECISION

PROJECT NAME : CitySquare
PROJECT MUNICIPALITY : Worcester
PROJECT WATERSHED : Blackstone
EOEA NUMBER : 13535
PROJECT PROPONENT : Berkeley Investments, Inc.
DATE NOTICED IN MONITOR : May 10, 2005

Pursuant to the Massachusetts Environmental Policy Act (MEPA) (G.L.c.30, ss. 61-62H) and Section 11.06 of the MEPA regulations (301 CMR 11.00), I have reviewed the Expanded Environmental Notification Form (Expanded ENF) and request for a Phase I waiver submitted on this project. I propose to grant a Phase I Waiver, allowing the first phase of the project to proceed to the state permitting agencies prior to completion of the Draft and Final Environmental Impact Reports (EIRs) for the entire project.

Project Description

As described in the Environmental Notification Form (ENF), the proposed project entails the demolition and redevelopment of the Worcester Commons Outlet Mall, which will result in the creation of 2.2 million square feet (sf) of residential, retail, office, entertainment, and open space. Demolition, rehabilitation and construction activities will occur over the

course of approximately seven years in three phases. The proposed redevelopment consists of the following components:

- New streets for vehicles, bicycles, and pedestrians, including the extension of Front Street to the east along its original alignment to connect City Hall with Union Square/Washington Street transportation hub; a new street connecting the Worcester Medical Center and Front Street; and a new street connecting Front and Franklin Streets;
- Parking for 3,950 vehicles, including existing, new and redesigned facilities, and a limited number of new on-street parking spaces along the proposed new streets;
- 800,000 sf of office space, including the reuse of two existing office buildings, a new medical office building and a new conventional office building;
- 305,000 sf of retail and restaurant space;
- A senior housing development containing 200-250 units and two condominium developments containing 140-170 units and 200-250 units respectively, and possibly a hotel and additional condominium development (in lieu of the new conventional office building); and
- Urban entertainment uses, including restaurants, bars, cafes, a health club, and a possibly a cultural or civic entertainment facility, located at street level throughout the proposed development.

The 20.2-acre project site now contains the Worcester Common Outlets, which contains an approximately 5550,000-square foot (sf) enclosed shopping mall, two office buildings containing 486,000 sf of floor space, and a structured parking facility for 4,000 vehicles. Where possible, existing structures shall be renovated and reused, including the office buildings and much of the existing parking facilities.

Description of Phase I

As described in the Expanded ENF, Phase I of the project entails asbestos abatement, foundation reinforcement, selective demolition, installation of new utility lines, and construction of the new street network. No new buildings will be constructed as part of Phase I. The proponent is seeking state financial assistance in order to accomplish this preliminary infrastructure and abatement work. It is anticipated that Phase I work will commence in August, 2005.

Criteria for a Phase I Waiver

Section 11.11 of the MEPA Regulations provides that the Secretary may waive any provision or requirement of 301 CMR 11.00 not specifically required by MEPA, and may impose appropriate and relevant conditions or restrictions, provided that the Secretary finds that strict compliance with the provision or requirement would: a) result in undue hardship to the proponent, unless based on delay in compliance by the proponent; and b) not serve to minimize or avoid damage to the environment.

In the case of a partial waiver of a mandatory EIR review threshold that would allow the proponent to proceed to Phase I of the project prior to preparing an EIR, this finding shall be based on one or more of the following circumstances: 1) the potential environmental impacts of Phase I are insignificant; 2) ample and unconstrained infrastructure and services exist to support Phase I; 3) the project is severable, such that Phase I does not require the implementation of any other future phases; and 4) the agency action on Phase I will contain conditions that ensure due compliance with MEPA.

Findings

Based upon the information submitted by the proponent and after consultation with the relevant state agencies, I find that the project is wholly consistent with the Commonwealth's goal of creating sustainable developments that capitalize on the availability of existing public infrastructure. The project, as proposed, incorporates several "Smart Growth" principles, including the reuse of an underutilized centrally-located urban site within walking distance of existing public transportation facilities. The project should serve as a catalyst for the revitalization of downtown Worcester and I am confident that the result will be a high-quality project that will benefit not only its private occupants, but the public at large as well. Therefore, I find that strict compliance with the mandatory EIR requirement would a) result in undue hardship to the proponent; and b) not serve to minimize or avoid damage to the environment.

In addition, I find that:

1) The potential environmental impacts of Phase I are insignificant. Implementation of Phase I will be accompanied by a comprehensive package of construction mitigation measures, as

indicated in the Expanded ENF, to ensure that any unanticipated impacts of demolition and construction activities will not ensue.

2) Ample and unconstrained infrastructure exists to support Phase I of the project because it will not result in new facilities that would impose a burden on existing infrastructure, but rather utilize existing facilities (i.e., streets) to grant access to the site for construction workers and equipment.

3) The project is severable such that Phase I does not require the implementation of any future phases. Phase I will result in the addition of a new street system and infrastructure throughout the project site, but if future phases of the project require adjustment based on the outcome of the review of the Single EIR, those changes could be accommodated.

4) The state agency actions on Phase I, in this case a Sewer Extension Permit from DEP, will contain conditions that ensure due compliance with MEPA.

Based on these findings, it is my judgment that the waiver request has merit and meets the tests established in Section 11.11. Therefore, I propose to grant the Phase I waiver. This Draft Record of Decision shall be published in the next issue of the *Environmental Monitor* for a fourteen-day comment period, after which I shall reconsider, modify, or confirm the waiver.

June 16, 2005

Date

Ellen Roy Herzfelder

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