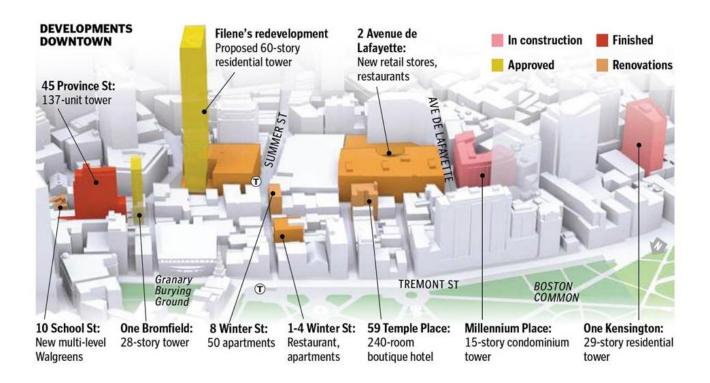
## **Business**

## As residences rise, downtown builds a new vitality

By Casev Ross | GLOBE STAFF NOVEMBER 26, 2012



Inside the darkened shell of the original Filene's store, Debra Taylor Blair glimpsed the beginning of a new life for downtown Boston.

Seated before her was an unusual crowd for this part of the city: more than 80 residential real estate brokers, all of whom had accepted the housing researcher's invitation for a tour of the Filene's site and others around the district where new housing is planned.

"It was the first time so many residential brokers have come out to take a fresh look at this area," said Blair, president of LINK, a real estate information service. "We were totally shocked by the turnout." Promised for years, the revitalization of the city's long-struggling downtown is finally underway, with construction of residential towers transforming the largely commercial area into a full-blown neighborhood. The supply of housing is planned to double to more than 10,000 units in coming years, according to the Boston Redevelopment Authority, and there is a sudden influx of retail shops and restaurants.

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"There are so many deals going on, so many new people and businesses interested in downtown," said Randi Lathrop, the BRA's deputy director of community planning. "Every day I get a phone call about someone else who wants to open here."

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**Graphic: Developments in Downtown Crossing** 

The construction of homes is particularly important to changing the neighborhood, as it will bring around-the-clock activity to streets that today feel desolate after the workday ends.

Two residential towers are under construction and a third is planned at Filene's, where developers have won approval for a <u>625-foot apartment and condominium tower</u> that will become a new marker on the downtown skyline.

Meanwhile, Mayor Thomas M. Menino's administration is pumping millions of tax dollars into road and sidewalk repairs, new lighting, and other upgrades. Those public works complement new investments by property owners, who recently received government approval to form a so-called business improvement district to provide better upkeep of the neighborhood. The major performance theaters have been modernized, and new technology tenants are bringing a younger workforce to the area.

Lisa Macalaster, a sales associate with Coldwell Banker Residential Brokerage, said that downtown is finally emerging as a viable housing alternative to Boston's other neighborhoods, where a shortage of available units is pushing buyers to look elsewhere.

"This feels like the next exciting rebirth of Boston," she said during the recent tour of the area. "There's a lot of pent-up demand for housing right now." The downtown's renaissance remains a work in progress, however. Several streets are pockmarked with empty storefronts, and the area lacks a critical mass of modern shopping options. But five years after the Big Dig reshaped nearby streets, the next wave of improvements and construction is reaching into downtown's side streets and pedestrian thoroughfares.

More than 600 housing units are under construction at the edge of what was once the Combat Zone.

Across the street from the strip club Centerfolds is <u>the Kensington</u>, a 381-unit apartment tower that will feature an outdoor pool, solarium, and -yoga lounge for young, affluent renters.

A block away on Washington Street, a 15-story residential building is rising across from the Ritz Carlton Residences. The complex, known as



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The Kensington, an apartment tower being constructed near where Chinatown meets Downtown Crossing, will feature a pool, solarium, and yoga lounge.

<u>Millennium Place</u>, will include 256 luxury condominiums, a winetasting room, and outdoor gardens.

And soon to tower above them all is the Filene's project, on which construction is scheduled to begin next year. Its developers have won approval for what would be the tallest residential building in Boston.

Estimated to cost \$620 million, the project will add up to 600 housing units as well as offices and retail stores at the base of the tower and behind the facade of original 1912 Filene's building.

Nearby, 59 Temple Place is being renovated as a 240-room boutique hotel, while Hamilton Co. is transforming an office building at 8 Winter St. into 50 mid-priced apartments. Even though construction is ongoing, 40 percent of the Winter Street units are rented.

Harold Brown, Hamilton Co.'s president, said that downtown has improved considerably since the mid-1990s, when Menino first began trying to spruce it up.

"If the downtown is seven or eight now, it was a two back then," he said.

City officials are hoping the wave of construction brings much-needed retail staples, such as a supermarket, as well as stores that don't currently operate in the area.

Among the retailers coming soon is Walgreen Co., which is opening an <u>emporium</u> next year at Washington and School streets with an expansive natural foods section, a sushi bar, and a hair and nail salon.

<u>Pret A Manger</u>, the British prepared foods chain, recently opened an outlet at Post Office Square.

The largest concentration of new retail space will be at the former site of Filene's, where at least 100,000 square feet will be added — enough for a supermarket and multiple restaurants and stores. A former Barnes & Noble bookstore is also available across the street, and the owners of Lafayette City Center are planning to convert part of the office complex into retail space.

During the recent real estate tour, several brokers said they are beginning to recommend that clients look for properties downtown. Among the options is 45 Province St. Completed in 2009, the 137-unit tower initially struggled to attract buyers; today, 70 percent of its condominium units are sold or are under agreement.

"We're finding a greater awareness of all the things going on in this part of the city," said Wayne Lopez, the building's sales director. "The downtown's live-work dynamic is really starting to catch on."

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