

THE DREAMER

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By Thomas C. Palmer Jr.

Growing up in Milton in the 1960's, Joe Fallon would ride from construction site to construction site in a Chrysler Imperial with his father's neighbor and friend, Tom Flatly, one of the best-known developers in Massachusetts. Fallon didn't need those tours to acquire the real estate bug – his father and grandfather were in the business. But the early exposure to vast spaces of land and the potential that they hold reinforced his instincts later in life to do what he saw his father and grandfather do years ago: build.

In September, Fallon bought what may be the most high-profile piece of property to become available in Boston in the last quarter century. Fallon and his partner, Massachusetts Mutual Life Insurance Co., paid \$115 million for Fan Pier, 21 prime acres next to the federal courthouse. He plans to turn the land, which is now a parking lot, into a modern Back Bay-like neighborhood, transforming the entire South Boston Waterfront.

Neither flashy nor eccentric, the 54-year old Fallon is more nice guy – even dull when compared with other developers. He's tall, solicitous, communicates in a friendly monotone, and works extended days in his World Trade Center tower offices. They look out on his new Park Lane Seaport apartments and condos and his new Westin convention center hotel, not far from his Fan Pier. Mayor Tom Menino, a longtime pal – they met when Menino was running for the City Council – couldn't be happier that Fallon is now in charge, after the out-of-town Chicago family that owned the 21-acre parcel almost sold it to an out-of-town Miami megafirm.

Joe Fallon is Boston. He earned degrees from Huntington Prep School and Wentworth Institute of Technology and attended Northeastern University and Suffolk University business school. He joined up with Flatley, who was interested in building in the suburbs and out of state, in New Hampshire and New Jersey. Fallon had grown up in Milton but long had his eye on downtown Boston. "I knew the opportunities were in Boston," he says while sitting in a boardroom papered with drawings and renderings of a half-dozen developments in progress.

A business connection Fallon made when he helped develop Copley Place in the 1970's led to later partnerships with Mass-Mutual, including Fan Pier. Another connection put him in a deal on Cape Cod with shopping center superstar Steve Karp. Karp last year declined to take on Fan Pier; Fallon embraced the challenge.

Some developers live by the creed "location, location, location." Fallon prefers his own: "location and timing." For 25 years, Fan Pier has promised a glittery waterfront destination, but it has sat dusty and idle. Now the time is right, Fallon's instinct says. The condo market, perhaps waning, is still strong enough. And he proclaims he just may build

the first office tower in Boston since the leasing market went south in 2000. Fallon could be ready for one of a couple of dozen companies that will need several floors of space in about 2009 and might pay a good price for a new building in a new neighborhood with views of both downtown Boston and the harbor. He's already got a broker on board.

With the biggest project of his career getting under way, Fallon recently shed a "small" 50-condo undertaking that he was going to build in the South End. He sold it to another developer to finish: with about \$55 million in debt on Fan Pier, he's got to get buildings open and sold or leased.

After years working quietly in the Boston area, Fallon is suddenly a familiar name. He makes no apologies for his close relationship with the mayor. "I'll be driving people to the polls next week," he joked to a reporter just before the November election that Menino handily won.

Fallon recalls his childhood rides with Tom Flatley fondly, "He was a blast." And when Fallon was old enough, Flatley put him to work. "I thought I was a big shot, but he made me a laborer at \$2.60 an hour." Fallon worked for others and learned. Then he started his own company in the early 1990's. He wanted to focus on the waterfront, making it "kind of what Faneuil Hall was initially," but it was too early. Now the time is right.

Like a lot of overbooked business people, Fallon finds it tough to carve out time to connect with his family. But he's a problem solver. He found a way to build a Fan Pier that daunted others - by slicing it in to bit-sized chunks, several phases, to meet the residential, office, and hotel markets as each looks promising. Timing.

At home, he says, he employs a similar plan for success. He takes his wife and each of his two teenagers out to dinner or an event - separately. Sometimes he even books trips for two of them at a time to other cities, he says, where he can concentrate on the business of a successful family.

Boston is known in the development world as a difficult city; lots of costs, obstinate neighborhood groups, permit-happy City Hall. But Fallon doesn't mind. "I think it's a great city to build in, in spite of the barriers to entry everybody talks about," he says. "You just deal with it and create solutions and try to move forward."