

Fan Pier builder thinks temporary

September 25-October 1, 2009: Boston Business Journal
Fan Pier builder thinks temporary
By Michelle Hillman

The next stage of Fan Pier likely will be a temporary one.

Fan Pier developer Joseph Fallon has petitioned a state agency to allow him to erect two temporary buildings while he waits to build out the 3 million-square-foot-project in earnest.

Fallon is asking the Department of Environmental Protection to let him build two structures similar to modular facilities that would house retail, restaurants, public restrooms and a water transportation ticketing office. The buildings would be between 22,000 square feet and 45,000 square feet and would sit on the water's edge in the place of two permanent buildings slated for parcels overlooking a marina. The parcels are approved for residential, hotel or office uses.

The entire 21-acre site is approved for eight buildings including office, research, residential, retail and hotel space.

The temporary buildings, which would be built on the last parcels slated for development, could remain on Fan Pier for 10 years or more. Fallon is requesting that a license allowing for interim uses be extended from 2014 to 2024.

Fallon is the first major developer to propose an alternative to commercial construction in the wake of the credit crisis that has crippled the building industry.

“Since the issue of putting up the next phase of buildings might be longer-term projects, these temporary structures might be beneficial for the landowners” said Edmund Coletta Jr., spokesman for the DEP.

Coletta said DEP officials will decide whether to amend Fallon's license and allow the temporary structures for an extended period of time. DEP likely will make a decision once the public comment period ends on Sept. 30 Coletta said. Representative from The Fallon Co. could not be reached for comment.

Rather than wait for the economy to turn around or create a massive construction site while he works to land tenants, Fallon wants to give people a reason to visit the waterfront. The only building currently under construction as Fan Pier is a 500,000-square foot office tower leased in part to the law firm Fish & Richardson PC. The law firm will begin moving into the building in the later half of next year. Fallon planned to break ground on two additional, office and research buildings but has been unable to secure tenants or financing for the next phase of development.

“His situation is no different than anybody else,” said Vivien Li, executive director of the Boston Harbor Association. “If he doesn’t have a tenant it’s pretty difficult to secure financing.”

The temporary facilities can be constructed for a fraction of the cost of permanent buildings because the structures will be built on platforms rather than a foundation.

In April, The Fallon Co. hosted the sixth stop of the Volvo Ocean Race and held events in temporary buildings on Fan Pier including a three-story corrugated steel structure PUMA built out of shipping containers. Puma City, as it was called, housed a bar, a multilevel retail store and event space in 11,000 square feet.

“This request is prompted by two separate factors,” wrote Fallon’s attorney Myrna Putziger. First, construction of new permanent buildings on Fan Pier continues to be impeded by the absence of construction financing for any use. Second, the Volvo Ocean Race event on Fan Pier, for which a series of temporary structures were created, demonstrates that Fan Pier can be activated by bringing people to compelling destinations even though (they are) housed in temporary quarters.”

In the letter, Putziger states that temporary building, which will be next to Fish & Richardson’s new offices at One Marina Park Drive, will create a “critical mass” of retail and restaurant activity and will not interfere with the overall development timeline.

Boston Redevelopment Authority spokeswoman Susan Elsbree said she thought temporary uses were a positive move for Fan Pier and the entire South Boston waterfront. Elsbree said it was a strategic move in response to the poor market conditions and a need for more restaurants on the waterfront.

“Clearly construction financing is still an issue, I’m sure it was a factor,” said Elsbree