

HOT IN DOT

Developers Follow Transit To Dorchester

Developers Focus On Multifamily Potential

By [Steve Adams](#) | Banker & Tradesman Staff | May 21, 2017



Chin up, Dorchester. Two deals to redevelop the Boston Globe property may have fallen through, but investors are still bullish about what the future holds in the land of the triple-deckers.

Transit-oriented multifamily projects such as the Hub25 apartments at Columbia Point are luring renters down the Red Line with discounts from downtown rents, prompting more developers to search for similar sites. Last week it was the owners of the defunct Philips Old Colony House restaurant seeking partners to redevelop their Morrissey Boulevard landmark, on a 2-acre site that seems destined to become a large-scale residential project.

In Savin Hill, developer and restaurateur Kenneth Osherow shudders at the memory of the vacant lot being transformed into the Flats on Savin complex. Osherow is marketing 14 luxury apartments at rents from \$1,850 to \$3,400, with four units under agreement ahead of the projected Sept. 1 opening. Tours have been dominated by young professionals who work downtown or slightly north of the city, Osherow said.

“People want to be in this neighborhood. It’s not like we have to sell the neighborhood at all,” he said.

Part of the complex is built above Osherow’s Savin Bar and Kitchen, which he opened in 2011. The rest is replacing a crater left behind by the demolition of the former Dole’s grocery store that for years symbolized Savin Hill Village’s stagnation.

Housing Pipeline Surpasses South Boston

With its I-93 access and Red Line stations, eastern sections of Dorchester are natural next stops in the city’s multifamily building boom. The Boston Planning and Development Agency has since 2015 approved more than 1,400 housing units in 22 separate developments.

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More than 17,000 people live within a 10-minute walk of new and upcoming developments such as Hub25, Flats at Savin, Dot Block and the Phillips Old Colony House property, according to research by Perry Brokerage Assoc. But that's roughly half the population density in most of South Boston, hinting at the potential for significant additional development in Dorchester, said Brendan Carroll, director of intelligence for Perry Brokerage Assoc.

The owners of the former Phillips Old Colony House restaurant decided the time is right to redevelop their nearly 2-acre Morrissey Boulevard property, hiring Colliers International to seek joint venture partners or a ground lease arrangement. The property has a minimum of 156,000 square feet of development potential under the current zoning, and could support higher densities under the BPDA's planned development area approval.

"It seems like there's support for higher density along this corridor, and this type of development is exactly what the city is looking for in its housing plan," said Christopher Sower, a senior vice president at Colliers.

The BPDA has selected Dorchester's Glover's Corner neighborhood for its latest planning study, which could result in new zoning designed to encourage high-density transit-oriented development. Still in the initial phases of community outreach, the study encompasses a mile-long stretch of Dorchester Avenue which is expected to come under increasing development pressures, according to the BPDA. Among the goals is drawing up a predictable set of development guidelines and community benefits.

Eyes On Dot Block

The real estate community is keeping a close eye on the neighborhood's highest-profile project, the 362-unit Dot Block. Developer Atlas Investments is still piecing together financing and expects to break ground this fall, spokeswoman Catherine O'Neill said. Demolition work will begin in a few weeks on the half-dozen existing commercial buildings on the site to make way for nearly 400,000 square feet of apartments and retail.

"When we started out here, people thought we were crazy," O'Neill said. "Dorchester has been neglected for decades, and I don't know why that is. If you live in Savin Hill, it's four stops on the Red Line to downtown, but I guess people didn't think of our neighborhood."

Before the first shovel hits the ground, other developers are betting on Dot Block as the leading edge of the neighborhood's makeover.

Boston-based developer Arx Urban last week acquired a mixed-use building at 299-309 Hancock St. for \$2.8 million across the street from the Dot Block site. Arx Urban has made \$100 million in acquisitions, including six properties in Dorchester, in the past four years.

While declining to discuss plans for the Hancock Street property, Arx Urban Principal Benjie Moll said the company typically invests in middle-income workforce housing that rents at a discount to new class A product.

"Dorchester is an incredibly vibrant and great place to live with close proximity to the city and public transit," Moll said. "And with other developers coming to the market, there's more and more amenities." ■