

# Luring Vertex called boon for Boston

## Drug co.'s move to 'boost' waterfront district

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One day after a Cambridge-based biotech company confirmed a move to South Boston's Fan Pier, real estate experts say the announcement could kickstart stalled development along the waterfront.

"There's no question that having an anchor tenant brings a lot more credibility to the Seaport and the 'Innovation District'," said David Begelfer, CEO of the trade group NAIOP Massachusetts. "It's clearly a win for Boston to attract such a prominent company."

Vertex Pharmaceuticals signed a letter of intent with developer Joseph Fallon to lease a pair of 18-story towers to be built on Fan Pier in the city's Seaport District, adjacent to John Joseph Moakley U.S. Courthouse. The Fallon Co. broke ground in 2007 on the \$3 billion district spanning nine city blocks. While the first office building opened last year, and a temporary building houses clothing boutique Louis and Sam's restaurant, the project has stalled due to a lack of tenants and financing.

But John Drew, president of The Drew Company, a Boston-based real estate company that plans to break ground on Waterside Place across from the Boston Convention & Exhibition Center, said the Vertex deal is good news for all Seaport landowners.

"It boosts everything," he said. "It will bring thousands of new people down here and that will be a great shot in the arm for existing businesses and for what we have planned."

Drew's three-acre development between Congress Street and the Silver Line includes plans for 234 apartments, 58,000 square feet of retail shops and a 14,000-square-foot 'innovation incubator.' He said while financing remains an obstacle, he expects a deal to be completed by fall.

Boston Global Investors and Morgan Stanley — developers of Seaport Square, plan to transform 23 acres of parking lots on the city's waterfront into a neighborhood of homes, offices, shops, theaters and green space — said they welcome the news of Vertex coming to Fan Pier and "leading the way for new jobs and neighborhood life on the Boston's waterfront."

State Sen. Jack Hart, a South Boston Democrat, said he's a booster of the Innovation District, an area designated by the Menino administration that stretches from South Station to the Marine Industrial Park. He said the goal of the new district is to offer companies an alternative to Cambridge's Kendall Square where biotech and pharmaceutical companies make their home.

“Kendall Square lacks a 24/7 environment,” he said. “But the Innovation District, as it grows with housing, more retail and office and R&D, can be a place that is lively around the clock.”

Still, Begelfer said Boston faces an uphill battle to steal companies away from East Cambridge. He said the city across the river has five million square feet of space in the planning or approval stages and it’s still the first choice among biotech and high-tech firms.

“Cambridge is the mothership,” he said.” That’s where most of these kinds of companies want to be. Cambridge is a location that everyone understands and recognizes. That’s why Microsoft, Google, Genzyme, Novartis are there.”