

BizSmart

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Vertex makes billion-dollar bet on Fan Pier site

By JERRY KRONENBERG

Vertex Pharmaceuticals has signed a \$1.1 billion, 15-year lease to move its headquarters from Cambridge to South Boston's waterfront — a big boost for Hub Mayor Thomas M. Menino's planned "Innovation District."

Vertex said yesterday that it's finalized a \$72.5 million-a-year lease for 1.1 million square feet of office and lab space at South Boston's Fan Pier complex.

Plans call for the firm to consolidate all 1,300 of its employees out of 10 Cambridge sites and into two planned Fan Pier buildings in late 2013 or early 2014.

"We've had a primary goal all along to consolidate (into) one campus where all of our employees are within walking distance of one another," Vertex spokesman Zachry Barber said, adding that



the lease includes a 10-year renewal option.

The deal remains contingent on Vertex winning final federal approval this year to sell Incivek, the firm's potential blockbuster hepatitis C drug. However, Incivek recently passed two key regulatory hurdles, and Vertex expects a final OK within weeks.

Menino kicked off a fight with Cambridge in January by using a \$71.8 million package of state- and local-government incentives to attract Vertex. The mayor hopes to ultimately bring lots of cutting-edge businesses, residences, shops and eateries to the district.

Vertex's decision to move there represents the biggest win for the project so far, as well as a major



COURTESY RENDERING

NEW HEADQUARTERS: Vertex Pharmaceuticals will move 1,300 employees from Cambridge to two new buildings on Fan Pier, above, assuming the company's new hepatitis C drug is approved as expected.

victory for Fan Pier. Developer Joe Fallon has erected just one building at Fan Pier to date, but plans to break ground soon on two 18-story structures for Vertex.

Fallon yesterday called Vertex's decision to finalize a lease "not just good news for Fan Pier, but good news for the entire area. More people means more restaurants, more retail —

more everything."

But Boston's win is Cambridge's loss.

Cambridge city councilors passed a resolution in January slamming Menino for "luring" Vertex away,

and also discussed making a counteroffer of incentives. However, local officials — who didn't return calls seeking comment — apparently never did so.

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