

Back Bay development sets high bar for minority, woman business

Black-owned firm to build hotel, condos

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Tawan Davis is chief investment officer at the Peebles Corporation, the largest black-owned real estate development firm in the nation. BANNER PHOTO

If all goes according to plan, the Peebles Corporation's mixed-use development will rise 11 stories over the Massachusetts Turnpike at the corner of Massachusetts Avenue and Boylston Streets.

The \$400 million, five-year project will employ more than 200 construction workers. Peebles will contract with dozens of local businesses — 30 to 50 percent of them owned by women and people of color. The construction workforce also will be 30 to 50 percent women and people of color, according to Tawan Davis, Peebles Corporation's chief investment officer.

While construction firms in Boston consistently have failed to meet more modest goals for minority and women hiring and contracting, Davis said the marks are well within reach for his firm.

“I hate the word impossible,” he told the Banner in a recent interview. “Given my background, nothing is impossible.”

Davis was raised in Portland, Oregon by a single mother and was the first in his family to attend college. He graduated from Georgetown University and went on to earn a master’s degree from Oxford University in England and an MBA at Harvard Business School. He said Peebles Corporation, a black-owned firm with offices in New York and Miami, consistently meets its goals for minority participation.

“It’s part of the culture of our firm,” he said. “We get to choose between contractors. If one doesn’t want to do it, another will.”

The Peebles Corporation recently fired a construction firm on a \$500 million project in New York, Davis said, after the firm failed to meet hiring goals during the demolition phase of a project.

“It’s that important to us,” he said.

The Peebles Corporation was founded in 1983 by R. Donahue Peebles and has developed projects in Miami, New York, San Francisco, Washington D.C. and other U.S. cities. The firm currently has \$3.5 billion of projects in its development pipeline. The Viola Back Bay project will be the firm’s first in Boston.



Handel Architects and Utile, Inc

The Viola Back Bay development will include a 156-room hotel, 88 condominiums, 85 rental apartments and 20,000 square feet of ground-floor retail.

The project

The development the company is proposing in Boston, dubbed The Viola Back Bay, will include a 156-room hotel, 88 condominiums, 85 rental apartments, 20,000 square feet of ground-floor retail and 138 parking spaces. The building will be built on the air rights over Interstate 90 and will provide \$30 million for the planned \$45 million renovation of the Hynes Convention Center Green Line MBTA station.

In addition to construction jobs and building trades contractors, large construction projects like The Viola typically require a multitude of services from lawyers, accountants and other professionals. Davis said as much as \$200 million of the development dollars could go to minority- and woman-owned businesses.

While many minority firms are routinely excluded from large development projects because of their low bonding capacity, Davis said his company helps smaller firms build capacity, often using its own insurance to cover bonding for smaller firms.

“If you can build a 100,000- square-foot project, you can do a million square feet,” he said.

In Philadelphia, Peebles Corporation hired McKissack and McKissack, a black woman-owned firm, as general contractor on an \$85 million 199-room hotel project which is currently under development.

A multiplier effect

In Boston, Davis said, Peebles Corporation’s contracts with minority businesses will help strengthen not only the minority-owned firms, but the communities in which they operate.

“We have an opportunity to create a multiplier effect,” he said. “For every dollar we spend, that creates four to five dollars of opportunity.”

Although building trades in Massachusetts have long had a reputation for excluding people of color, Davis said Peebles Corporation has not had trouble getting unions to meet their demands for a diverse workforce.

“We find that for the most part, unions have been responsive,” he said. “They want our business. Unions are national organizations. They have a broader strategy. They want our business in New York, Washington and Miami.”

The Viola Back Bay site is one of four parcels slated for development over the Massachusetts Turnpike in Boston. Other firms have proposed developments at Boylston Street and near Fenway Park. The Peebles Corporation project has gotten the green light from the Massachusetts Department of Transportation and will soon undergo review through the Boston Redevelopment Authority’s Article 80 process.

The project is expected to require two years of planning and three years of construction, Davis said.