CHESTO MEANS BUSINESS

Faneuil Hall badly needs a makeover. Two visions have emerged for how to pull it off.

By Jon Chesto Globe Staff, Updated December 10, 2025, 6:00 a.m.

Shoppers browse vendor stalls at Quincy Market, one of the busiest corridors of the Faneuil Hall Marketplace. ERIN CLARK/GLOBE STAFF

When a lender took over Faneuil Hall Marketplace in early 2024, the move was hailed in City Hall as the start of a new era for this beloved but faded tourist attraction.

After tangling with merchants and city officials over the years, ground lease holder Ashkenazy was finally out. And J. Safra, Ashkenazy's financier, was in.

Now, nearly two years have passed since the red brick complex in the heart of Boston changed hands. Safra has attracted several promising local tenants — Flourish & Foundry, Bakey, and MaraK Shoes, to name a few — working with Boston brokerage Graffito. But that hoped-for new era? We're still waiting.

Maybe not for too much longer.

Mayor Michelle Wu has asked her planning chief Kairos Shen to assemble a task force of urban planning experts early next year, to come up with a new vision for the city-owned marketplace. The idea is to restore its luster and make it attractive again for locals. The marketplace is supposed to be a key part of Wu's plan to revive the postpandemic downtown. But so far, it's falling short.

Meanwhile, a land use lawyer who worked with Ashkenazy, R.J. Lyman, isn't waiting for City Hall. Lyman recently convened civic and business leaders to solicit ideas and build the case for a new approach. He argues the marketplace can only reach its potential if City Hall enters into a property management agreement with an outside firm, rather than continuing with the long-term ground lease. That would mean more profits to plow back into the property, he says, and less incentive to skimp on repairs.

Could both efforts eventually dovetail? It's possible.

For now, Shen wants to give Safra a seat at the table, to develop a new vision. And Lyman argues a true overhaul simply won't happen under the current model.

Faneuil Hall Marketplace was considered visionary when it opened in its current form some 50 years ago during Mayor Kevin H. White's tenure, with developer James Rouse at the helm, kicking off a 99-year redevelopment lease. It's credited as the country's first "festival marketplace," a model replicated in other cities. School buses packed with curious kids arrived daily, and suburbanites trekked downtown to check it out.

Faneuil Hall Marketplace was considered visionary when it opened in its current form some 50 years ago, in 1976. ED JENNER

Ashkenazy got involved in 2011. The New York firm spent nearly $140 million to acquire the ground lease for the entire place: around 350,000 square feet of stores, restaurants, and offices spread among the 200-year-old Quincy Market and two other main buildings (but not the actual Faneuil Hall next door).

Recouping that investment proved challenging. Merchants fretted that their landlord wasn't spending enough on marketing or maintenance. Interest waned as chains overtook some local spots. A loss of foot traffic from the pandemic wiped out a number of mom-and-pops. In 2021, a consultant for the city tallied some $45 million worth of repairs to be done, from fixing cracked granite to replacing outdated electrical equipment.

By the time J. Safra Group, the Brazilian conglomerate backing Ashkenazy, took charge, the marketplace needed more than a modest facelift. It could use a complete makeover.

Wu had expressed hope then that Safra could deliver that makeover. In a recent interview, she expressed impatience at the slow progress. That's why she asked Shen to assemble experts to craft a new vision. It's not enough for the marketplace to be historic, or in a great location. It has to be something special, she says, a magnet again for everyone. Solving the Faneuil Hall riddle, she adds, will unlock possibilities for a downtown still stuck in a postpandemic state of flux.

Safra, Shen says, expressed a willingness to make major repairs in return for a ground lease extension that would increase the lease's value. Shen says City Hall has made it clear to Safra that a "bigger public vision" needs to be in place first, before any extension agreement; Safra is doing some maintenance work but withholding any "big investments" until that vision comes into stronger focus. And he says Safra, as the landlord, will have a role in those talks.

Like Wu, Lyman sounds impatient. He initially waited to see what might come of negotiations between City Hall and Safra. After about a year, he started trying to drum up support for a different approach for Quincy Market, the name he would adopt for the rejuvenated marketplace. This isn't some money-making dream. It's a passion project born out of the inspiration he recalls as a local kid growing up in the 1970s, being awed with the market's transformation. The overhaul left such an impression, it helped inspire him to pursue land-use law as a career.

From Lyman's perspective, Safra or a similar successor has little financial incentive to pour tens of millions into the property. Instead, Lyman believes the city should adopt a property manager as the marketplace's private sector caretaker, a model in which profits flow back to the city for the upkeep.

Visitors move through the central rotunda of Quincy Market on Nov. 22. ERIN CLARK/GLOBE STAFF

To pull that off, Safra would need to go.

During his time working on behalf of Ashkenazy, Lyman studied the 1970s ground lease. He spotted an exit clause that allows the city's Public Facilities Commission to take over the property, as long as the lease holder gets fair-market compensation.

What would that look like? Lyman estimates the ground lease, certainly a devalued asset, to be worth around $65 million — based on a multiple of the market's annual revenue. Subtract what's needed for the deferred maintenance, and that number shrinks dramatically, to $10 million or so.

The final tab, however, could exceed $150 million. Along with the Safra payment, that figure includes the repair backlog as well as renovations to reinvigorate the marketplace.

Lyman rattles off potential funding sources: city and state bonding, foundations, corporate philanthropy, a possible taxation district for abutting office towers, even "selling" the courtyard bricks for $100 a pop. Lyman says the bottom line among the nearly two dozen civic leaders he met with in late October: "Saving Faneuil Hall" is worth the investment.

Those familiar with Lyman's plans have all sorts of ideas of their own about what might work. Music venues. Cocktail bars. Cuisine from city neighborhoods. Coworking spaces. Maybe a boutique hotel, or a partnership with the nearby Boston Public Market.

Safra declined to comment about Lyman's concept or the lease negotiations, beyond a general statement saying it's working with City Hall to ensure the marketplace remains a driver of "downtown culture and commerce."

Shen, meanwhile, considers it premature to reevaluate technical aspects of the lease before the administration establishes a new vision for the property.

The country's first festival marketplace once inspired many copycats. Maybe it can do so again, with a new model for redoing historic urban spaces and places. Whether such an ambitious goal can be accomplished with a private sector developer in charge remains to be seen.

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