

April 7th ECPT Meeting - Questions & Answers

Meeting Questions

1. Are other developers participating in this project to help lighten the financial burden?

BXP noted they spent the last nine months trying to figure out if the Blue Garage was a possible alternative site. Part of that puzzle involved figuring out where to relocate parking spaces that were contractually obligated to tenants during the reconstruction of the garage. Alexandria Real Estate has stepped up as a partner and has offered to provide parking spaces during construction. Unfortunately, BXP can't require other developers to participate in conversations.

2. What is the cost to reconstruct the parking garage?

Reconstructing the parking garage involves demolishing the existing garage, excavating, removing and remediating soil and making the space occupiable below grade. BXP noted they don't have an answer to the parking cost yet, but that it should be a relatively easy number to estimate once more is known about the soil conditions.

3. What are the safety concerns of the substation with residents and employees working nearby?

When the capacity of the substation is known, BXP will likely conduct a third-party analysis to test what, if any, safety concerns need to be addressed. They noted substations are everywhere, and that BXP has experience building around them in the past. BXP is also in communication with the tenants on the Parcel 2 site, and they have listened to concerns they have.

4. Why does this development have to be in Cambridge? Why can it not be in Somerville? There could be collaboration with the state and other regional partners to find a more balanced distribution of commercial real estate development in and near Kendall so it does not happen in this area of Cambridge?

The issue for this project specifically is that the property owner, in this case BXP is offering this site to Eversource. BXP doesn't own any land in Somerville. We are talking about providing entitlements to a property owner to address a problem the City Manager has approached them on regarding moving the substation. It has been a city ask of all developers in Kendall Square. Unfortunately, housing and commercial development is mostly done by local decisions and it doesn't have a very good regional process.

Thinking about regional opportunities however, supporting development along the Red Line of the MBTA does make sense. If we aren't going to have it in Kendall, development might move to Somerville but it also could go to Waltham, or elsewhere in the suburbs. From a regional planner lens development along the red, blue and orange heavy rail lines is preferred.

5. Why 800,000 SF of new development? What financial calculations support the need for 800,000 SF? The economics of this deal need to be understood by CDD/CRA and Councilors.

BXP noted this was derived by taking the cost to remove a functioning parking garage and putting it underground to make the site available, plus the costs of normal development benchmarked to pre-covid-19 rates.

The CRA noted they plan to conduct a third-party analysis through the CRA's real estate consultant team and be as transparent about that as possible. The CRA has done some of this evaluation work with the City in the past on the Volpe project. These are odd times to make projections however, so estimates will be a speculative guess.

6. What are the implications for the transportation needs for another 6,000 employees in this portion of Kendall Square, and what will the costs be in terms of development impacts, like traffic, air quality, public transport overload? Who will perform this analysis? Will these developments prompt additional contributions to mitigate the traffic and transportation situation in the area?

The CRA and BXP participated in an extensive planning process originally hosted by the State and then the City of Cambridge called the Kendall Square Mobility Task Force (KSMTF). The group looked deeply into how to maintain high public transit ridership in Kendall Square and expand capacity. A lot of thoughts were raised how to make the Redline better. The report also suggested ways to expand buses, adding or changing routes which hasn't been done in decades. The final transportation facet studied was the Grand Junction Rail Line. The group looked into ways the rail line can serve as a new connection linking three growing economic hubs in the region.

The CRA also helps to administer the Kendall Square Transit Enhancement Program (KSTEP) which is a fund with money committed to support immediate transit solutions to Kendall Square. Through this fund we want to support transit improvements that support strong multi-modal ridership and discourages single occupancy vehicles.

7. Is the parking freeze relevant to this, and if so how? There needs to be clarity about the longstanding Parking Freeze, and how it should apply here.

There are two issues with parking, existing and future. Existing parking spaces are leased and need to be rebuilt. The court ordered parking freeze as Tom understands it is for stand-alone facilities (lots or garages), parking contemplated with this development is accessory to commercial and residential construction. CRA would like to see as little new parking built as possible.

8. Will thought be given to gentrification and additional housing pressure that an extra 800,000 square feet of commercial development not offset by housing will create?

Development in Kendall Square does add to housing demand in the region. The solution to housing demand in Kendall Square cannot just be solved in Kendall Square but needs to be something considered city- and region-wide. The development will need to pay linkage fees to the Affordable Housing Trust. One option for a new housing location could be 135 Fulkerson, though that also has been considered for open space.

BXP noted the housing will also be delivered in one phase rather than two separate phases, so a larger number of units will be delivered earlier than previously planned.

9. Why is this the right solution? Why can the substation not be located on the Volpe parcel, for example?

So far, the US Government still has site control of the Volpe parcel not MITIMCO. There is open land there, but it cannot be transferred for utility use for some years to come.

10. Where will the additional 800,000 SF commercial development go?

The site plan is still very conceptual, but thus far the designers are looking at one building on the north side of the parking garage site, and another at 250 Binney. Once Eversource gives clear direction on the feasibility of the site this can be discussed in more detail.

11. What is the earliest timetable for beginning to change zoning?

The timetable needs to work off of Eversource's need to submit a preferred site option to DPU. That needs to be done by Q1 2021. In order for BXP to officially offer the site to Eversource for that submission, zoning decisions need to also be made by that time.

12. What will be the open space requirements be for this additional GFA?

Open space is something we be diving into in the site planning process. Unfortunately, we can't create new land in the MXD, so we likely need to be creative to find spaces that are underutilized today that can be improved, and to improve parcel connections to nearby areas.

13. How will this project relate to MITIMCO's Volpe open space?

Once Volpe's site plan is released, these connections will be looked at closely. There will be collaboration between the CRA and CDD to review BXP's and MITIMCO's plans together to ensure the two blocks are considered together.

14. What direct payments will be made by BXP for public benefits (such as buying more open space), and what payments will be made to CRA? Will BXP pay market rate for 800,000 SF of entitlements to City/CRA? What will City/CRA use the money for?

Yes, the development cost includes City linkage payments, and the CRA/BXP development entitlement agreement requires BXP to pay a fee for the development rights as well. The CRA welcomes a discussion about how to use the fee for land payment. CRA Staff and Board have ideas, including ideas like supporting The Foundry, Nonprofit Row, our non-profit partners' capital needs, and providing new economic development needs as a result of our current situation.

15. How will the decisions be made for the reuse of the Fulkerson Street site (also referred to as the Checker Cab site) being donated to the city?

The City Manager has noted the site's future use will be determined via a public city process.

16. Will a portion of the proposed development be used for residential purposes?

400,000 SF of residential housing has already been approved for Parcel 2 and will be built. The additional 800,000 SF of development requested through this proposal will not include any residential development.

17. What would the total development of the Kendall area look like given the addition of the development of the MIT south of Main buildings, the build out of the Volpe site and the Bio Med proposal for another 550,000 square feet on Third Street?

Check out this website, and use the scroll bar to see past, current and future planned development. <http://visualizations.sasaki.com/cra/index.html>

18. What is the population of Kendall now and what will it be with all of the proposed development in place? Who is responsible for determining the public infrastructure requirements for this population?

This will also be looked at in the Environmental Impact Report for this project.

Meeting Comments

- A. This is a very large upzoning, it should come with significant community benefits. A connection between our two neighborhood schools and their parks would be suitable.
- B. Residents are paying by having 800K of additional density added to the city, but commercial property owners are the ones who need the additional electricity. This does not seem fair to residents. We in the residential neighborhood did not create the Eversource problem but we are expected to pay for it.
- C. Parking Freeze – It does not have anything to do with Boston, per se (although there may be some connection in some more general way, which is not the point.) I believe the City of Cambridge was under pressure from litigation under the Clean Air Act (possibly by the Conservation Law Foundation - CLF, if I'm not mistaken) and reached a settlement that entailed the establishment of a significant agreement referred to as the "Parking Freeze." See: <https://www.thecrimson.com/article/1988/11/15/city-to-obey-parking-freeze-pthe/>

Eversource Questions – TO BE ANSWERED BY EVERSOURCE WHEN ABLE

1. How big will the Eversource substation be? Some have suggested that it would be 15 stories in height. Is that correct?
2. How much electrical demand will be added by the new development proposed, considering both this projects and other projects in the Kendall Square area that are either under-construction, permitted or planned? (Megawatts)
3. If limits of new connections for gas service are adopted in Cambridge, how much reduced gas usage is expected and how does this translate into additional electrical demand? (Megawatts)

4. What is the projected usage of electric cars in Cambridge in the next ten years, and how much recharging capacity will be needed to handle the additional load? (Megawatts)
5. Identify any additional new development in the Kendall Square area that has been proposed since last year when Eversource released its projected energy demand for the next 10 to 15 years. (Megawatts)
6. What is the electrical capacity of the new Eversource building? (Megawatts)