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City of Cambridge, Massachusetts

# SIXTH REPORT

CAMBRIDGE
REDEVELOPMENT
AUTHORITY

THE DOLLAR

City of Cambridge, Massachusetts

# SIXTH REPORT

CAMBRIDGE

REDEVELOPMENT

AUTHORITY

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# SIXTH REPORT of the CAMBRIDGE REDEVELOPMENT AUTHORITY CAMBRIDGE, MASSACHUSETTS (through April 9, 1963)

This report is more than the Annual Report of the Cambridge Redevelopment Authority for 1962. It is in large part a review of the activities of the Authority, with headquarters at 57 Inman Street, Cambridge, Mass., since its organization on February 20, 1957.

The members of the Authority feel that it is timely at this juncture to submit a record of the experience and history of this Agency and to set out observations and reflections stemming from this experience.

Officers (elected on February 21, 1962 to serve until the next annual meeting) and members of the Authority were:

John A. Lunn, Chairman

Thomas J. Murphy, Vice Chairman

Thaddeus R. Beal, Treasurer

Paul R. Corcoran, Assistant Treasurer

Charles M. Haar

# ENCOURAGING AND DISCOURAGING HIGHLIGHTS OF 1962

Two projects represent solid achievement.

On the site of the Rogers Block on Main Street, for years one of the worst blighted spots in the City, the first building in the multimillion dollar Technology Square Office and Research Center is expected to be completed by June, 1963. Plans are well under way for the construction of a second building.

Apartment buildings costing \$2,000,000 at the Riverview project (at the corner of Mt. Auburn and Sparks Streets) were 65 percent completed at the end of 1962, with occupancy scheduled for the summer of 1963.

But as workmen were busy on construction of these first renewal projects the plan submitted for the Donnelly Field area failed to receive the support of the majority of the City Council, and Federal authorities terminated further Federal renewal expenditures in Donnelly Field, Houghton and Cambridgeport. Approval of the plan failed in June, 1962 on a 4 to 4 tie vote.

Messrs. Eisner and Horan, officials in charge of the New York regional office of the Federal Housing and Home Finance Agency, had met with the City Council and the Redevelopment Authority in advance of the vote on Donnelly Field and ruled that a Donnelly Field disapproval would be interpreted to mean that the Houghton and Cambridgeport projects could not be expected to muster the votes necessary to gain endorsement; in view of this ruling, following the unfavorable vote HHFA had no alternative but to terminate all three projects. (No renewal plan receiving Federal financial assistance can be moved into execution without a majority vote of final approval by the local governing body—in Cambridge, the City Council.) The Housing Agency officials further stated that no more Federal funds would be provided for Cambridge (other than caretaker or completion money) until there were grounds for belief that the Council would support the execution of reasonable plans which conformed with the requirements of Federal legislation.

This decision of the Federal officials prevented the Redevelopment Authority from carrying on further work on the Donnelly Field, Houghton, and Cambridgeport projects. (All Cambridge planning funds prior to project execution have been advanced by the Federal government.) The Authority was later notified by Federal officials that as of February 28, 1963 no further payments of any kind would be made on these three projects; from July, 1962 to February, 1963 they had been operated on a caretaker basis. Thus an

estimated total of \$20,000,000 in Federal subsidies and local credits available for the improvement of community facilities in the three areas is rendered presently valueless. (The passage of time tends to decrease the value of current local non-cash credits; such credits are controlled by time limitations set by the Congress, and each passing month brings closer the day at which a local credit previously usable may expire.)

# OUTLINE OF DONNELLY FIELD PROJECT

A prime objective of renewal undertakings is to furnish "decent, safe and sanitary" housing.

At the start of 1962 negotiations were being carried on with the American Federation of State, County, and Municipal Employees, AFL-CIO, to construct non-profit, fully tax-paying garden type relocation housing in the Wellington School area of the Donnelly Field renewal neighborhood. The Union planned to construct 142 dwelling units, with one-bedroom apartments to rent from \$55 to \$65, two-bedroom apartments from \$65 to \$75, and three-bedroom apartments to rent from \$75 to \$85; the rents included one off-street parking space for each apartment but not the cost of heat and utilities. This housing was to be financed under Section 221 (d) (3) of the Housing Act of 1961, which provides mortgage loans at 3-1/8 percent interest on the condition that there should be no profit from rents, and the apartments should be rented to those whose income falls within certain limits. The money is loaned by a Federal agency, the Federal National Mortgage Association (more generally known as Fanny May). The law authorizes Federal Housing Administration mortgage insurance for a 40-year term, during which the F.H.A. regulates rents and supervises the non-profit provisions of the act.

Malden is using this device; in fact the Cambridge sponsor, the American Federation of State, County and Municipal Employees, AFL-CIO, after the Cambridge non-approval, transferred to Malden with his Cambridge architectural plans almost intact; it was necessary only to adapt them to the Malden site plan.

In the opinion of the Authority, 221 (d) (3) financing offers the lowest cost new rental housing which can be provided short of public housing, where construction cost bears no economic relation to rent, or locally tax-subsidized housing, where the whole community contributes to pay a part of the shelter cost of the occupants of the subsidized construction.

A second renewal objective is to modernize community facilities and to eliminate conflicting and incompatible land uses which depress property values. A fundamental goal of Federal renewal policy is to establish physically healthy neighborhoods which offer a future of promise. The Federal Housing Administration appears to believe that this goal cannot be reached with outdated facilities—inadequate sewers and water mains, worn—out streets and sidewalks, a distressing traffic situation, and land uses prescribed by pre—zoning historical accident which juxtaposes junk yards, manufacturing units, ware—houses, outdoor storage and repair yards, and residential housing ranging in condition from recently renovated to decayed and fire—hazardous structures.

The Redevelopment Authority's plan therefore called for the rehabilitation and conservation of 82 percent or 1542 of the 1896 dwelling units in the area, with phased demolition of 354 or 18 percent, and the shifting of 73 business uses. The plan envisioned further the expenditure of some \$5,000,000 of Federal funds for new streets, sewers, water mains, sidewalks, traffic relief, and improvements to Donnelly Field, all without cost to the City. (The recently completed Harrington School could qualify as a neighborhood improvement and thus be credited toward the City's share of the cost, just as a part of the cost of the Peabody School is being used as a credit toward the Riverview project.)

The City Council had accepted an Authority offer to purchase the abandoned Wellington School for \$150,000, (HHFA approved price on March 14, 1962) and had also voted 5 to 4 to approve early land acquisition, so that relocation could be started and the land cleared by June 1962 for the beginning of construction. However, until a plan for the entire 101 acre neighborhood was finally approved by the Council construction could not commence. The new housing, new community facilities and neighborhood renovation were destined not to materialize.

## ECONOMIC GAINS FROM RENEWAL

Improvement of the economic health of the local community is a substantial consideration in the allotment of Federal financial assistance. We point to two examples.

The development known as Technology Square was assembled in 1960 by the purchase of two land areas: five acres from the Redevelopment Authority (cleared Rogers site) and nine adjacent acres from the Lever Brothers Company where the then-recently-closed soap factory stood. Peak employment at Lever Brothers in recent years was 1,200; at the time the plant was closed this had been reduced to 700. There was no considerable employment on the Rogers site. The developer estimates that when Technology Square is completed it will provide employment for 3,000 workers.

The finished Technology Square will provide conservatively more than \$15,000,000 in new construction, and may well be the largest single tax contributor in the City. The tax valuation of the Lever Brothers and Rogers sites was about \$2,500,000. The Riverview project is an apartment development facing the Charles River at Mt. Auburn and Sparks Streets. The assessed value of this site prior to its taking by the Authority was \$113,000; the construction now under way will cost not less than \$2,000,000.

# NO COST TO CITY FOR RIVERVIEW AND ROGERS PROJECTS

Here are the cost figures for the Riverview project, stated in accordance with the Federal formula on which HHFA bases cost allocation and distribution:

Administrative Costs:	
Pre-Redevelopment Authority	\$ 30,000
Post-Redevelopment Authority	127,739
Peabody School Credit (9.82% of school cost)	181,453
Land Acquisition Cost	275,000
Gross Project Cost	\$ 614, 192
Proceeds from Sale of Project Land	154,350
Net Project Cost	\$459,842
City's Contribution:	
Non-Cash Credit (Peabody School)	181,453
Minimum Local 1/3 share of Net Project Cost	153,281
Excess Non-Cash Credit (to be pooled, held in reserve)	\$ 28,173
Cash Contribution to Project (pre-Peabody School to be returned to City through the Redevelopment Authority	\$ 114,147
Federal Contribution:	
Net Project Cost	\$ 459,842
Less: City's Non-Cash Credit	181,453
Federal Cash Contribution to Net Project Cost	\$ <b>27</b> 8 <b>,3</b> 89
Excess Credit Allowed but held in reserve for other  Cambridge projects in the future	28,173
Federal 2/3 share of Net Project Cost	\$ 306,562

The original Federal-local budget for the Riverview project was developed before the Peabody School non-cash credit was available. On the basis of this budget (pre-Peabody School) the City gave to the Redevelopment Authority in May 1959, its check for \$107,436 as its then estimated share of the net project cost. In addition, the City was credited with \$6,711 in lieu of taxes; this made the City's total contribution \$114,147 (pre-Peabody School). In the final division of costs between the City and HHFA (subject to audit) it is expected that the Authority will return the \$114,147 previously advanced by the City.

The Federal government's two-thirds share of the net project cost will be made up of a cash contribution of \$278,389 and the \$28,173 excess non-cash credit allowed for the Peabody School to be held in reserve should Cambridge have another renewal project to which this may be applied.

In 1960 the State legislation was approved to reimburse communities over a 20-year period for one-half of their share of costs of completed projects. The preliminary estimate of the State's share of the cost of Riverview is \$56, 163 and on the basis of this estimate the State has made two payments, one of \$5,616.30 and one of \$2,808.15. This preliminary estimate is however subject to a final determination.

The Rogers cost determination is simpler.

# Administrative costs

Pre-Redevelopment Authority	\$ 50,000
Post-Redevelopment Authority	139,279
Land acquisition cost	440,325
Gross project cost	\$ 629,604
Proceeds from sale of project land	320,000
Net project cost	\$ 309,604
Federal share	206,403
City share	103,201
State reimbursement	51,601
Net City cost	\$ 51,600

The State has paid Cambridge \$7,740.09 thus far as its share of the Rogers project costs; the balance to be paid in 17 years.

If the excess receipts on Riverview are balanced against the net City cost on Rogers, there is a surplus of receipts over expenditures of \$4,563.

The finances of the Authority are audited by the HHFA and The Commonwealth of Massachusetts.

The following is a financial statement of the Authority prepared as of December 31, 1962.

# CONSOLIDATED BALANCE SHEET December 31, 1962

	ASSETS	
Cash		\$ 77,212.99
Accounts Receivable		209.86
Deferred Charges		6,945.70
Project Costs	\$ 803,993.95	
Less - Sale Price of Land Sold	154,350.00	
Net Project Costs		649,643.95
Reimbursable Relocation Payments		9,887.86
TOTAL ASSETS		\$ 743,900.36
LIABILIT	IES & CAPITAL	
Accounts Payable		\$ 25,460.43
Accrued Interest Payable - HHFA		27,618.18
Notes Payable - HHFA		432,502.00
Capital:		
Local Grants-In-Aid	\$ 114, 146.89	
Federal Capital Grants	134,285.00	
Relocation Grants	9,887.86	258,319.75
TOTAL LIABILITIES AND CAPITAL		\$ 743,900.36
Certified Correct:		<del>\</del>
By Lawrence S . DeCourcey	· · · · · ·	

Accountant

# RELOCATION EXPERIENCE

Federal laws require that "decent, safe and sanitary" housing be available for all families displaced by renewal activities.

The Redevelopment Authority in the Rogers and Riverview projects was responsible for relocating 74 families, four of whom owned their own homes. Relocation offices were established by Authority personnel at the project sites for these families and the 22 businesses to be relocated.

Of the 74 families, seven bought homes in Cambridge and three built or bought homes outside the City; 16 families relocated in Cambridge public housing; 36 rented in Cambridge, many within a half-mile of their former homes; seven families rented outside the City; one individual died; two families left without giving new addresses; and two transferred outside the State. Both families and businesses were compensated for moving costs from Federal grants, no part of which was paid by the City.

In its planning for the Donnelly Field, Cambridgeport and Houghton programs the Authority was required to show Federal officials that there would be adequate housing resources for all displaced families. The Authority staff for many years kept an inventory of such housing, all of which was inspected by agents of the City.

Relocation provides a wide variety of problems and attitudes. Some homeowners are delighted to sell at a fair price; this provides a practical opportunity to do what they have long wanted. For others, the anticipation of change is a severe emotional shock. The attitude of a number may be summed up as follows: while change was under discussion they resisted it; when a decision was made, the inevitable was accepted and they no longer resisted, but did not actively cooperate; now that the change has been made, they are rather glad, and will agree that what they were forced to do, they might wisely have done for themselves long before.

#### BELT ROUTE PROBLEMS

One major problem, yet unsolved, which has created havoc with the city's urban renewal program is the so-called belt highway.

In 1956 Federal legislation was passed which authorized Federal assistance on a 90 Federal – 10 State basis for the construction of certain designated highways as parts of a military defense network. In eastern Massachusetts, among the highways thus designated was this belt highway, so called, which first appeared on a Master Highway Plan for the Boston metropolitan area prepared in 1948 by the Joint Board for the Metropolitan Master Highway Plan; this plan has had great influence on subsequent highway thinking. The 1948 Master Highway Plan indicated that a major circumferential highway should be built around the central down-town area of Boston proper; this collector, distributor, and by-pass highway has come to be universally (and controversially) known as the belt route.

A part of the belt route was to run through Cambridge, and the 1948 plan recommended crossing the Charles River at Magazine Beach and cutting across River Street and Western Avenue to Lee Street.

At the time of the first passage of the Federal 90–10 legislation considerable pressure built up for prompt detailed planning of Federally assisted highways preparatory to an early start on construction, and this precipitated a heated discussion about the belt highway; if it should be built, where it should be built, and when it should be built. The City Council authorized a study of alternatives which was completed in early 1958. In substance the Planning Board study stated that if the belt must be built the best route was along the Brookline-Elm line.

The HHFA and the Federal Bureau of Roads, were sensitive to the danger of being held up to ridicule because of the possible unfortunate results of conflicts of purpose between unconnected Federal agencies; and they were determined not to let a situation arise in which areas improved with HHFA funds were later pulled apart by the Bureau of Public Roads. As discussions concerning the belt route location became increasingly clamorous, the HHFA became increasingly insistent that no substantial commitment of funds be made in areas of uncertainty until imprecisions had been squeezed out of the planning.

Federal planning grants were approved for Cambridgeport on April 2, 1958 and for Donnelly (where the belt route impact might be less serious) on January 23, 1959; while application had been made for planning funds for Houghton in September, 1957, the HHFA felt it unwise to commit more money to Cambridge until the two projects in process of execution (Rogers and Riverview) and the two in the planning stage (Cambridgeport and Donnelly) had moved farther. This was entirely acceptable, as it was the Authority's judgment that Houghton would be the most difficult area to plan for. The Houghton application therefore was returned to the Authority by HHFA without further action.

Pressure by the HHFA on the Authority for more exact information on the belt route alignment increased during the autumn of 1958; in an effort to get help in resolving the difficulty the Authority on January 7, 1959 passed and transmitted to the City Manager and the City Council a formal (there had been several informal communications) resolution stating "that the Redevelopment Authority reaffirms its position on the need for a decision on the location of the proposed major highways as they affect the Cambridgeport, Houghton and Donnelly Field Urban Renewal areas and further, urges the City Council Committee on Ordinances and the Cambridge City Council to take such immediate action as is deemed advisable." The City Council on January 19, 1959 sent to the State Department of Public Works "without recommendation or rejection" the Cambridge Planning Board recommendation that the belt highway follow a Brookline-Elm Street route. No response was made by the Department of Public Works.

The Authority took no position on the questions of if or where a belt route was to be built; but if one was to be built the Authority had to know the location of the road if the Authority was to proceed rationally. The Authority further stated that it had neither the means nor the power to determine a route, and that an attempt at such an assumption of responsibility on its part would be completely offensive to those having the responsibility; it could only urge that those having the power of decision decide promptly. The decision has not yet been made.

On April 6, 1959, the HHFA put a stop to further expenditures on the Cambridgeport project until a highway decision was reached. This left one project, Donnelly, in the active planning stage. There were various stops and starts, total suspensions and partial liftings of suspensions as the fog of indecision rose or fell over the road planning. In August 1960, after a preliminary hearing on road locations resulting from new studies, planning on the Donnelly project was also suspended; this left the Authority with no projects in the planning stage and the two projects in execution requiring relatively little active work. Meanwhile the Authority's administrative overhead continued as before.

After more small-scale retreats and advances, the net results of which were to leave the situation unchanged, Mayor Crane and City Manager Curry, at an HHFA conference in New York in March 1961, obtained Federal assent to taking a "calculated risk on the alignment of the belt highway by releasing funds for the Cambridgeport and Donnelly Field programs." However, the Authority was bothered by the question of the quantity of money which could justifiably be spent on a "calculated risk"; with a highway line still not established it might be that substantial sums could be wasted in developing plans which would be rendered valueless by unforseen changes. Finally in August 1961 the HHFA authorized the Authority to proceed as if the highway problem had never come up; their letter read that "since we are advised that a determination on the location of the highway may not be made for a number of years and there is a possibility that the highway may never be built, we recommend that you continue planning for these projects (Cambridgeport and Donnelly)."

Meanwhile in August 1960, with work on Donnelly and Cambridgeport at an end for an unknown period, the HHFA reconsidered the Houghton planning application refiled with it by the Authority, approved it, and authorized the Authority to spend planning funds for this project. The belt highway discussion had reached a point where it was clear that the Lee Street route was no longer being seriously considered, so that this ceased to be an obstacle in developing Houghton plans.

This then had been the effect of the belt route uncertainties:

The Authority started with a single project in the planning stage (Cambridgeport).

April 1958. Rogers and Riverview were already in execution.)

In January 1959 a second project was added (Donnelly).

In April 1959 the HHFA ordered a stop to planning in Cambridgeport. This left one project (Donnelly) in the planning stage.

In August 1960, a stop was ordered to planning in Donnelly. This left the Authority with zero projects in the planning stage.

Also in August 1960, a start to planning in Houghton was authorized. This put the Authority in the business of planning for one project.

In August 1961, all prohibitions on Cambridgeport (after a 28-month interval in which planning was wholly or partially suspended) and Donnelly (after a 12-month interval in which planning was wholly or partially suspended) were removed; the Authority was now undertaking to deal with the planning for three projects, and the completion of two others.

This history of shifts and turns, of starts and stops is not to be taken as a criticism of HHFA actions; in the judgment of the Authority, HHFA could hardly have acted otherwise in face of constantly changing local circumstances. This history is rather intended to point out that the Authority has not been master in its own house; it was subject to unforeseen and uncontrollable interferences which brought about an operating method far from a model of order and logic.

Besides these disorganizing elements in relation to staff assignment and use of time, this stop-start method is expensive. The preliminary Federal appropriation is devoted to what the HHFA calls a survey and planning study, the survey of course being the basis for the planning. A survey begins to become out-of-date and inaccurate the day after it is started. People move; a vacant house is occupied, an occupied one becomes vacant; houses are bought and sold, remodeled, renovated, abandoned and demolished; businesses open and close. A survey which is interrupted for any considerable time thus becomes rapidly obsolete; an increasingly large part of the work is valueless and must be done over again.

#### REDEVELOPMENT AUTHORITY WITHOUT FUNDS

Except for Federal allowances needed to complete work at the Riverview project, the Redevelopment Authority, as of April 1, 1963 was without funds; it was thus scheduled to bring its activities to a close during 1963. The Authority staff, which at the time of the Council vote in June 1962 numbered seven, was reduced to one and a part-time accountant.

Since 1957, the Authority will have spent approximately \$398,000 on the Cambridgeport, Houghton and Donnelly Field projects for planning and related work. (A detailed break-down of these figures is given on page 37.) These funds were provided in full by the Federal government with no contribution from the city since none of the projects reached the execution stage. The Federal capital grant reservations for these projects (the amount allocated in the HHFA budget to meet the estimated Federal share of the total costs) were \$15, 180,000.

#### RECENT DEVELOPMENTS

On April 3, 1963, through arrangements made by Mayor Crane, Messrs. Eisner and Horan, the officials in charge of the New York regional HHFA office, met again with members of the City Council and the Authority in City Hall to discuss what might be done to re-establish Federal financial support for a renewal program.

Mr. McClennen, Planning Director of the Cambridge Planning Board, described possible planning revisions for the Donnelly Field area, which he had prepared at the direction of City Manager Curry; these revisions would reduce the size of the project area.

(The reduction in size of the Donnelly area carries a penalty; the amount of non-cash credit accruing to the City from the \$2,500,000 cost of the Harrington School is reduced to correspond with the size of reduction. The ratio of allowable credit to the total cost of the school is that of the number of pupils in the project area to the number in the entire school district.)

Messrs. Eisner and Horan restated their position of June 1962; they believed they lacked justification for alloting further Federal funds (in addition to the \$398,000 already spent on the Cambridgeport, Houghton and Donnelly projects) for renewal work until they were persuaded that funds spent for plans would take form through the execution of these plans. They pointed out that to give the Authority money to buy from the City a school site which the City already owned, and the construction of some buildings thereon, could not be considered renewal by Federal standards; nor could their objections be overcome by adding a junk yard to the school site and giving it the same treatment. As a minimum, a site must be large enough and its treatment thorough enough to give the area a new orientation and a reasonable chance for continuing self-improvement when Federal financial support is withdrawn. If the City does not meet these requirements (and this is of course a matter for the City's decision) the City cannot expect to participate in the Federal program.

If the City wishes to start a Federally-supported program again, the suggestion which follows is one which would be acceptable, and the least expensive (in terms of Federal-City debt) of several alternatives.

The City can proceed to develop plans for the Donnelly area on whatever scale it chooses; but the City must pay the entire cost of this work without Federal assistance. The HHFA agrees to review progress informally and to indicate in advance whether the plan would gain HHFA approval if formally submitted. If the City Council then votes to make a formal submission, HHFA will review it promptly and if approved will discuss the allotment of further funds for plan execution.

Mr. Eisner stated further that he would expect that a City Council vote to submit a plan to HHFA carried a moral commitment to vote for the execution of the plan when returned with Federal approval; he saw no point in repeating the process of affirmative votes all along the line until the climactic vote by which the proposal is then defeated, this being in his judgment purposeless and wasteful of money and time. If there is not a firm intention to perform, he suggested that Federal participation in the renewal effort be abandoned until the City reaches a clear decision.

On April 9, 1963, by a vote of 6 - 3, the City Council passed a resolution regarding the Donnelly Field project, the partial text of which is as follows:

# "... Resolved:

That the City Council of Cambridge requests the Cambridge Redevelopment Authority to restudy the former Donnelly Field Renewal Project area with a view to submitting to the City Council a revised tentative plan taking into full consideration the rights and interests of home owners, residents, and citizens and the problems involved in relocation, and that the City Manager provide the Redevelopment Authority with such resources as it may require to conduct this study until such time as Federal financing is again made available for planning purposes."

# CHRONOLOGY OF URBAN RENEWAL IN CAMBRIDGE

It seems appropriate at this time to review the work of the Authority since its inception. This outline of events related to but preceding the appointment of the Authority is useful in understanding its activities.

August 16, 1949	City Manager Atkinson, in a message to the City Council, points out that the Council had urged Congress to pass the Housing Act of 1949 making it "possible for Cambridge to replace large parts of its substandard housing with modern planned neighborhoods," and that President Truman had signed the Act.
June 12, 1950	City Council vote approves the filing of an application by the Cambridge Housing Authority for Federal funds under the Housing Act of 1949 to conduct surveys for renewal projects.
November 1, 1950	Housing Authority approves application for Federal funds to survey
•	five neighborhoods: Neighborhood 1 (East Cambridge);
	Neighborhood 4 (including Rogers Block);
	Neighborhood 5 (Cambridgeport);
	Neighborhood 7 (Houghton area); and a section of
	Neighborhood 10 (Riverview area).
March 22, 1951	Federal Housing and Home Finance Agency signs contract with
	Housing Authority for \$23,650 to conduct surveys.

April 21, 1952

City Council, by 9 - 0 vote, approves application for Federal funds for Riverview project at Mt. Auburn and Sparks Streets. The Housing Authority in its application stated: "The elements of blight which exist in the project area and restrict natural tendencies toward improvement in the immediate surrounding area indicate without question the need for action through redevelopment. The neighborhood character clearly shows the desirability of residential development beneficial to the city. The development must be of such value as to produce a gain in tax return."

June 30, 1952

City Council by 8 - 0 vote approves application of Housing Authority for Federal funds for redevelopment of Rogers Block area "to remove the present obsolete and unsafe structures and to provide an opportunity for new private investment in the city."

1 9 5 3

Constitutionality of State Redevelopment Law is challenged in court, specifically on a Somerville project, delaying Riverview and Rogers planning.

September 21, 1954

Redevelopment Law is approved by the State Supreme Court.

September 27, 1954

City Council by a 9 - 0 vote approves resolution introduced by Councillor Crane calling for the City Manager to consider forthwith the appointment of a Coordinating Committee on Urban Conservation and Renewal "in order that Cambridge may have without delay, a workable urban rehabilitation plan administered by a responsible agency," in accordance with the National Housing Act of 1954 signed on August 2, 1954.

May 2, 1955

Coordinating Committee on Urban Conservation and Renewal including City Manager Curry presents its Urban Renewal Workable Program to the City Council.

May 23, 1955

City Council votes 6 - 2 to authorize the City Manager to forward the Workable Program to the Federal Housing and Home Finance Agency. The Workable Program deals with:

- (1) Adequacy and enforcement of existing codes and ordinances
- (2) Development of a city plan
- (3) Neighborhood analysis
- (4) Estimated requirements for administrative personnel
- (5) Municipal financing potential
- (6) Housing for displaced families
- (7) Cîtizen participation

June 13, 1955

Housing Authority assents to the formation of a Redevelopment Authority to take over function of urban redevelopment and renewal.

September 16, 1955

Federal Housing and Home Finance Agency approves Workable Program.

January 23, 1956

City Council after a public hearing approves Rogers project plan by 9 – 0 vote.

August, 1956

City Manager announces he is delaying the appointment of a Redevelopment Authority because he fears it may complicate the Rogers project negotiations between the Housing Authority and Federal officials.

October 29, 1956	Redevelopment Authority appointed, in anticipation of Rogers project approval by Federal officials, "to have responsibility of developing one or more renewal projects in specific neighborhoods."
November 20, 1956	Certificate of organization for Redevelopment Authority issued by Commonwealth.
December 14, 1956	Federal officials approve Rogers project plan for redevelopment.
January – February 1957	Negotiations between Housing Authority and Redevelopment Authority for taking over renewal program.
February 20, 1957	Redevelopment Authority organizes and elects officers.
March 20, 1957	Federal officials notify Cambridge that if action on the project is delayed, funds for the Rogers project may be cancelled because of a national cutback in appropriations for renewal.
March 20, 1957	Redevelopment Authority contracts to "take over and carry out all land assembly and redevelopment projects of the Cambridge Housing Authority."
March 24, 1957	City Council votes 6 – 3 to approve transfer of Rogers and Riverview projects from Housing Authority to Redevelopment Authority.
June 5, 1957	Redevelopment Authority votes to accept Rogers Block Loan and Grant contract with the Federal government.
June 10, 1957	City Council by a 9 - 0 vote appropriates \$97,842 as city's share of anticipated net cost of Rogers project.

June 17, 1957

The first full-time staff member, John E. Connolly, begins his duties as Executive Director of the Redevelopment Authority.

June 19, 1957

Redevelopment Authority receives petitions from citizens in Neighborhood 5 (Cambridgeport) and Neighborhood 7 (Houghton) to consider their areas for renewal benefits.

August 21, 1957

Redevelopment Authority votes to request Planning Board to instruct Planning and Renewal Associates to prepare applications for Federal funds for planning Neighborhood 5 (Cambridgeport) and Neighborhood 7 (Houghton), such applications to be ready

for City Council not later than September 16, 1957.

# SKELETON RENEWAL CHRONOLOGY BY PROJECTS

# ROGERS PROJECT

June 30, 1952	City Council approves application for planning funds for Rogers Project.
January 23, 1956	City Council approves Rogers Redevelopment Plan.
March 24, 1957	City Council transfers Rogers Project to Redevelopment Authority.
September 3, 1957	Redevelopment acquires Rogers Project area by eminent domain.
September 1957 – April 1958	Fifty seven families and sixteen businesses relocated.
October 18, 1957	Contract for demolition awarded.
November 3, 1960	Land sold for construction of Technology Square.
1 9 6 3	First building in Technology Square scheduled to be occupied and construction of second started.

# RIVERVIEW PROJECT

April 21, 1952	City Council approves application for planning funds for Riverview Project.
March 24, 1957	City Council transfers Riverview Project to Redevelopment Authority.
July, 1957	Redevelopment Authority restudies Riverview area.
September 29, 1958	City Council approves Redevelopment Plan for Riverview.
June 1, 1959	Redevelopment Authority acquires Riverview area by eminent domain.

June 1959 – January 1960	Seventeen families and six businesses relocated.
February 15, 1962	Riverview land sold to redeveloper.
1963	New residential buildings ready for occupancy.

# CAMBRIDGEPORT

September 16, 1957	City Council approves application for planning funds for Cambridgeport neighborhood.
April 2, 1958	Federal government approves funds for planning.
July 16, 1958	Redevelopment Authority signs contract with Cambridgeport Associates for planning Cambridgeport neighborhood.
June 25, 1962	Contract for planning in the Cambridgeport area was terminated before completion following the Donnelly Field vote in City Council.

# DONNELLY FIELD

December 16, 1957	City Council approves application for planning funds for the Donnelly Field neighborhood.
January 23, 1959	Federal government approves planning funds for Donnelly Field neighborhood.
March 4, 1959	Redevelopment Authority signs contract with Cambridge Planning Board for planning the Donnelly Field neighborhood.
March 12, 1962	City Council accepts early acquisition for a part of the Donnelly Field neighborhood.
June 25, 1962	Tie vote in City Council defeats renewal plan for Donnelly Field and Federal government terminates Donnelly Field, Cambridgeport, and Houghton projects.

# HOUGHTON

September 16, 1957	City Council approves application for Federal planning funds for Houghton neighborhood.
August 15, 1960	Federal government approves planning funds for neighborhood.
October 5, 1960	Redevelopment Authority signs contract with Cambridge Planning Board for planning neighborhood.
June, 1962	Contract for planning Houghton area terminated by direction of the Faderal government following vote on the Donnelly Field plan.

#### HISTORY OF URBAN RENEWAL IN CAMBRIDGE

#### THREE MAJOR NEW PROJECTS CONCEIVED

In August 1957 three renewal programs, covering about one-sixth of the area of Cambridge, began to take shape; Cambridgeport and Houghton as the result of neighborhood studies conducted over many years by the Cambridge Planning Board, and Donnelly Field, as the result of the city administration's wish to take advantage of its planned expenditure of \$2,500,000 for the new Harrington School. This expenditure for a supporting facility such as the Harrington School would generate a \$5,000,000 federal contribution for neighborhood improvement.

In September 1957 the Redevelopment Authority sent to the City Council applications for Federal Planning funds for Neighborhood 5 (Cambridgeport) and Neighborhood 7 (Houghton); these were approved by a 9 – 0 vote on September 16, 1957.

On the Donnelly Field program, City Manager Curry concluded that an application should be filed only after the Council had acted on the Cambridgeport and Houghton applications, so that the application was submitted and approved in December, 1957.

However, before making funds available for these new projects Federal officials very sensibly insisted that perceptible progress be made on the older Rogers and Riverview projects.

## WORK STARTS ON THE ROGERS PROJECT

On September 3, 1957 the Redevelopment Authority voted to acquire the Rogers project area by eminent domain and started at once to negotiate with property owners. All purchases were completed without recourse to the courts.

An office on the site was opened by Authority personnel to assist the 57 families and 16 businesses in relocation problems. After one-third of the families had located in new homes, demolition bids were opened on October 18, 1957. City and Federal officials and 3,000 spectators joined in the D (for demolition) Day exercises on November 20, 1957. In May 1958 demolition work was completed and the land (five acres in extent) was leased for off-street parking pending its sale.

Then with little advance notice Lever Brothers closed its Cambridge plant leaving unused nine acres of land with obsolescent buildings adjacent to the Rogers location. The Authority, in seeking a redeveloper with the best plan for the Rogers land, endeavored to encourage the combining of the Lever Brothers property and the Rogers land for a 14-acre development. The efforts of all who worked for the highest use of the site brought success when on December 23, 1959 the Massachusetts Institute of Technology and Cabot, Cabot & Forbes Company of Boston announced that a \$15,000,000 office and industrial research center, to be known as Technology Square, would be built.

A Cambridge landmark, the Lux water tower, in a symbolic gesture was toppled in a public ceremony on August 2, 1960 and on November 3, 1960 title to the Rogers land passed to the new owners. Construction started on October 9, 1961.

The Rogers project was the first in Massachusetts to be closed out on the books of the Federal Housing and Home Finance Agency. This occurred on March 2, 1961, as recorded in a report on renewal projects prepared by the Massachusetts Legislative Research Bureau for the General Court. Cambridge was also the first city in the Commonwealth to receive State financial reimbursement for its renewal work. Under legislation enacted in 1960 the State over a 20-year period pays one-half of a city's share of the net cost of completed projects.

#### RIVERVIEW RESTUDIED IN 1957

The Redevelopment Authority was informed by Federal officials in the Spring of 1957 that the demand for renewal funds exceeded the Federal appropriation and that a decision by Cambridge as to whether to proceed with the Riverview project was mandatory before other applications by the City could be considered.

In July 1957, the Cambridge Building and Health Departments, at the request of the Authority, conducted a resurvey of the Riverview project to determine whether it was eligible for renewal funds under State and Federal laws. This study established its continuing eligibility.

On September 4, 1957 the Authority sent to the City Council an application for Federal planning funds; following a public hearing this was approved on September 16, 1957 by a vote of 8 – 1.

The Authority voted on January 8, 1958 to submit a tentative plan to the Housing and Home Finance Agency. Details of this plan as approved by Federal officials were discussed at a public hearing on September 8, 1958 and approved by a 5 – 4 vote in the Council on September 29, 1958.

Final plans received Federal approval in January 1959 and on May 11, 1959 the City Council voted 6 - 2 to appropriate \$107,436 as the city's one-third share of the anticipated net project costs.

Prior to the Council vote of May 11th, abutters on Bradbury Street, which was to be relocated and rebuilt, were offered an opportunity to buy land from the Authority in front of their homes. On June 1, 1959, the Authority acquired the area by eminent domain and started relocating the 17 families and 6 businesses involved.

The first and only time that the Authority was required to use the services of a sheriff for eviction involved a man living in New York who rented a garage stall for the storage of equipment; he ignored all requests to cooperate in removing the material.

In July of 1959 the Authority issued invitations to redevelopers to submit plans for construction and in August received four proposals.

The First Realty Company of Boston was selected. As construction plans were studied borings in the cleared area indicated that the water table at the site was so high that a zoning variance would be required if a stipulation of the Authority, that there be 50 percent undergound parking, was to be met. The variance would limit the building to an 80-foot height rather than the 65 feet then permitted under the code. On May 24, 1960, the Board of Appeal after a hearing granted the variance which was later appealed by the neighbors to the Middlesex Superior Court. In November 1960 a pretrial agreement was reached whereby the height was set at 73 feet exclusive of service structures, such as elevator housing.

Details of the contract for the sale of the land and construction of the building consumed a year. The land was sold on February 15, 1962 and foundation work was begun in April.

After the Riverview project was well under way, plans for a new Peabody School were prepared and the City proceeded with the building. As explained previously, a provision of the Federal program permits a community to substitute for its cash contribution to a renewal project the cost of a public facility which serves the area. Cambridge applied for and obtained a partial credit (9.82 percent of the total cost of the school) for the Peabody School as a supporting facility for the Riverview project. This will permit the Authority to refund to Cambridge the amount which the city had advanced as its share of estimated net project cost.

#### CAMBRIDGEPORT PROJECT

Thirteen years ago (in 1950) when the city through the Housing Authority applied to the Federal government for study funds for the Rogers and Riverview areas, it also applied for and was granted financial assistance with which to carry on neighborhood studies in Neighborhood 5 (Cambridgeport) and Neighborhood 7 (Houghton).

Such studies were in progress when, in 1954, the Federal Housing Act was expanded to provide for the planning of conservation and rehabilitation of entire neighborhoods, rather than the treatment of relatively small areas such as the five acres at Rogers and the two acres at Riverview.

When the residents of Neighborhood 5 (Cambridgeport) petitioned the Redevelopment Authority in 1957 to consider their area for urban renewal benefits, an application for planning funds was prepared; this was unanimously adopted by the City Council fon September 16, 1957.

A month later Federal officials visited Cambridge to discuss the limited Federal funds then available. The City had Rogers and Riverview projects under way and wanted funds for the Cambridgeport and Houghton programs as well.

Given a choice by Federal officials between Cambridgeport and the Houghton programs, the Authority decided on Cambridgeport since it appeared Cambridgeport displacement would be less than that in the Houghton area.

In April 1958, Federal planning funds were approved for the Cambridgeport program and work proceeded on the housing census and other planning activities until early 1959. Then Federal officials pressed the Redevelopment Authority for information on the location of the proposed belt highway lest renewal activities be carried on directly in the path of the highway.

On April 6, 1959 Federal officials halted all work on the Cambridgeport program for lack of a highway decision.

On May 4, 1959 by a 5 – 4 vote the City Council urged Federal officials to unfreeze Cambridgeport planning funds.

Nearly a year later, on March 6, 1960 the Authority was told by Federal officials that Washington was establishing a new policy of withdrawing funds from all programs which for one reason or another were being delayed and that in the case of the Cambridgeport program the frozen funds would be cancelled if a line for the belt highway was not established by June 30, 1960.

When it appeared that the State would select a general line for the belt highway by June 30th, Federal officials on March 30, 1960 released on a limited basis some planning funds for the Cambridgeport program. Federal instructions to the Authority read: "It is understood that no expenditures will be incurred for work that might be rendered useless by the decisions in regard to the highway line."

By August 1960 when the State had not established a line for the highway as promised, the Cambridgeport program was again suspended and this time the Donnelly Field program was suspended as well.

The Federal notice stated that both programs were suspended "until December 31, 1960 at which time another review and determination will be made... as to whether this project should be continued in suspension, go forward, or be terminated."

Also in August 1960 Federal officials activated the Houghton application and provided funds for that neighborhood, since it was apparent that the highway would not affect it.

(Details of this planning are discussed later in this report.)

Just before December 31, 1960 deadline, Governor-elect Volpe, at the request of Cambridge citizens, secured a commitment from Federal officials to delay final decision on the cancellation of the Cambridgeport and Donnelly Field programs until June 30, 1961 in order to give him the opportunity to press for a decision on the location of the belt highway. "It is my intention after I take office to take steps to see that a proper decision is made on the belt highway at the earliest possible time," the Governor-elect wrote to Federal officials on December 15, 1960.

In February 1961, President Kennedy wired mayors of all cities with renewal projects urging a speed-up and this was followed by an invitation from the HHFA to Cambridge officials to attend a conference in New York. Mayor Crane, City Manager Curry and Authority officials attended at which time the mayor asked Federal officials whether they were willing to take a "calculated risk on the alignment of the belt highway by releasing funds for the Cambridgeport and Donnelly Field programs".

When Federal officials agreed to release funds immediately for these two areas,

Cambridge then had, besides the Rogers and Riverview projects, the Houghton, Cambridgeport
and Donnelly Field programs all active simultaneously.

Planning on the Cambridgeport program was resumed but within a few months it again became apparent that detailed planning would be unwarrented without more precise information on the location of the belt highway.

On August 3, 1961, as related above, the Authority was given permission to proceed with full scale planning without regard to the belt route.

In August 1961, the Authority discussed with its planning consultants, the Cambridgeport Associates, the possibility of enlarging the Cambridgeport area by including the industrial section in the vicinity of Sidney Street, the area north of Massachusetts Avenue to Austin Street, and the recreation area in the vicinity of Magazine Beach.

After receiving approval of the proposed project expansion from the city manager, the Authority voted on April 25, 1962 to apply for planning funds to add these areas to the Cambridgeport budget and send the application to the city council; there it rested in committee until the project was terminated in June by the Donnelly Field vote.

## DONNELLY FIELD PROGRAM

As in the case of Cambridgeport, the Donnelly Field program was beset with belt highway troubles and lack of Federal funds.

The City Council on December 16, 1957, by a 9 – 0 vote, approved an application for \$162,000 in Federal planning funds for an area involving 187 acres.

When the HHFA had not acted on the application eight months later, City Manager Curry conferred with Federal officials pointing out that architectural drawings for the Harrington School were complete and that the city wanted to obtain credit for the school as the city's share of the cost of improvements in the area. Instead of approving the application, Federal officials notified the city that because of lack of money they were being forced to cut back on allocations. Cambridge was therefore abliged to reduce the Donnelly Field application to 84 acres from the original 187 acres and its request for planning funds from \$162,000 to \$93,534. This revised application was approved by Federal officials on January 23, 1959 and planning studies were started immediately.

Work stopped in August 1960 due to the lack of decision on the belt highway but this suspension was partially lifted in March 1961, when the mayor and the city manager attended an HHFA conference (referred to above). The Donnelly area was increased to 101 acres at this time from the 84 acres.

The first public meeting to explain tentative planning proposals for the Donnelly neighborhood was held in the Harrington School auditorium on the evening of June 2, 1961 where exhibits of the planning suggestions were discussed. After the meeting the same exhibits were placed on public view in the library at the Harrington School. These exhibits were manned by members of the Authority staff through December 1961.

When Congress passed the Housing Act of 1961, an opportunity was offered for the first time to build housing in renewal areas financed at 3-1/8 percent interest, provided the developer made no profit from rents.

The American Federation of State, County, and Municipal Employees, AFL-CIO, indicated that it might be interested in the construction of non-profit housing and on invitation of City Manager Curry in August 1961 began a study of the feasibility of erecting tax-paying non-profit housing under the Housing Act of 1961 in the area bounded by Cambridge, Windsor, Lincoln, and Columbia Streets; this area had been proposed for new housing in the Donnelly Field renewal plan then under consideration. The group sponsoring this non-profit housing made clear from the time of their first visit to the city manager that they must be in a position to start construction not later than July 1, 1962. This was a condition of their proposal; they felt that a later starting date might invalidate their construction cost and rental estimates.

On December 6, 1961 F.H.A. Commissioner Hardy (the national administrator) visited the neighborhood and after reviewing the plans indicated the F.H.A. would insure the mortgage.

That same evening, the city manager and members of the Authority met with representatives of the union to review the feasibility report and to request the union to proceed with plans for the new housing so that when a renewal plan was approved there would be no delay.

Two weeks later the Cambridge school committee by a 6 - 1 vote declared the Wellington School surplus so that plans for housing construction could proceed on schedule.

It was proposed that 142 units of new garden-type housing, two and one-half stories high be built with 100 percent off-street parking, parking charges to be included in the rent. The rent was set at \$55 to \$65 for one-bedroom apartments; \$65 to \$75 for two-bedroom apartments; and \$75 to \$85 for three-bedroom apartments, the rents not to include the cost of heat or utilities.

In order to begin construction by July 1, 1962, the area proposed for this housing would have to be acquired before final approval for plans for the entire neighborhood could be secured from the City Council and State and Federal officials. It was decided by the Authority to take advantage of the National Housing Act provision for early acquisition and clearance of sections of a renewal area. (The Authority under the early acquisition law could not dispose of the cleared land until a plan for the entire neighborhood was approved.) All families in the early acquisition area were informed that none would have to move until new dwelling units had been built and were available in the non-profit development.

After public hearings on early acquisition, the City Council voted 5 - 4 in favor.

The council then voted 5-2 to accept the offer of the Authority to purchase the abandoned Wellington School for \$150,000.

While the approvals of the State and Federal officials were pending, the Authority proceeded with plans for the rest of the neighborhood which provided that 82 percent of the homes would not be disturbed except for recommended repairs and rehabilitation.

On May 28, 1962 after a public hearing, the Council voted 4 – 4 on the entire Donnelly Field plan (a defeat of the plan) but on June 4, 1962 voted 5 – 3 to reconsider its vote.

Another public hearing was conducted by the council after which Federal officials met with members of the council and the Authority to explain that if the Donnelly Field plan failed of adoption, the Federal officials could only assume that no reasonable renewal plan would be acceptable and that therefore the Federal officials would have no other choice than to terminate the Cambridgeport and Houghton programs as well as the Donnelly Field program.

The final tie 4 - 4 vote came in the City Council on June 25, 1962.

#### HOUGHTON PLANNING STARTS IN 1960

When it appeared in the Spring of 1960 that the lack of decision on the belt highway was about to terminate planning on the Cambridgeport and Donnelly Field programs, the Authority obtained Federal approval to refile its application for funds for the Houghton Neighborhood renewal planning. The same day (August 15, 1960) that the other two programs were suspended, Federal officials authorized the expenditure of \$123,399 for planning in the Houghton neighborhood.

This action was taken four years after citizens in the area filed a petition with the City Council requesting a renewal program "because we are aware of the benefits of conservation and rehabilitation provided by the Federal urban renewal act."

Plans for Donnelly Field were further advanced than either Cambridgeport or Houghton; therefore the first public meeting was held on the Donnelly Field proposals, followed by a meeting at the Cambridge Community Center in the Houghton neighborhood on June 28, 1961, at which was expressed wide hostility to the Authority proposals, and to a large degree to the idea of any renewal work at all.

Following the June 28th meeting the Authority exhibited a model of the Houghton neighborhood in the hope that responsible suggestions for the modification of the original proposals might be forthcoming from residents of the neighborhood. Workshop sessions attended by city officials, residents of the neighborhood and representatives of the Authority discussed aspects of community needs in the Houghton area, and these discussions were continuing when planning was terminated as the result of the Donnelly Field tie vote in city council in June 1962.

### ADVANCED STAGES REACHED ON PLANNING

When the renewal programs were terminated in June 1962 the Cambridgeport and Donnelly Field efforts had reached the advanced planning stage and the Houghton program was well started.

The Donnelly Neighborhood plan as explained above was furthest advanced and ready for final approval.

In Cambridgeport, much of the preliminary planning data collection had been completed and it was expected that within a short time specific recommendations would be ready for consideration.

In the Houghton area, data was still being collected on specific proposals but no decisions had been reached.

Federal cash contributions for the planning of these projects are as follows as of March 31, 1962:

# FEDERAL CONTRIBUTION TO THREE CAMBRIDGE RENEWAL PROGRAMS

EXPENDITURE ITEMS	HOUGHTO	N DONNELLY	CAMBRIDGEPORT	TOTALS
Administrative Overhead and Services	\$ 28,198	\$ 42,685	\$ 39,817	\$ 110,700
Legal Services	2,345	7,307	2,983	12,635
Survey and Planning	34,367	33,377	109,015	176,759
Land Surveys and Appraisals	41,284	35,247	5,850	82,381
Relocation Planning	2,681	3, 144	4,681	10,506
Project Inspection Fee	1,440	1,242	2,496	<u>5, 178</u>
Totals	\$ 110,315	\$ 123,002	\$ 164,842	\$ 398,159
* Interest	11,190	8,805	11,348	31,343
Totals Including Interest	\$ 121,505	\$ 131,807	\$ 176,190	\$ 429,502

<sup>\*</sup> These interest charges continue to accumulate but become due and payable only when the project is reactivated by the City Council.

Since 1957 the Authority will have spent \$398,159 in Federal funds on planning the Houghton, Donnelly Field, and Cambridgeport programs. These funds have been provided in full by the Federal government without any contribution by the City of Cambridge. If any one of the programs is revived, the City will be charged for prior expenditures on that program plus the interest charge.

Respectfully submitted,

CAMBRIDGE REDEVELOPMENT AUTHORITY

John A. Lunn, Chairman

Thomas J. Murphy, Vice Chairman

Thaddeus R. Beal, Treasurer

Paul R. Corcoran, Assistant Treasurer

Charles M. Haar

Paul J. Frank, Acting Executive Director