

FOURTH ANNUAL REPORT

OF

CAMBRIDGE REDEVELOPMENT AUTHORITY

City Hall Annex
57 Inman Street
Cambridge, Massachusetts

December 31, 1960

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This is the fourth Annual Report of the Cambridge Redevelopment Authority, organized on February 20, 1957, with headquarters in the City Hall Annex, 57 Inman Street, Cambridge, Massachusetts.

Officers elected on March 2, 1960 to serve until the next Annual Meeting were:

John A. Lunn, Chairman

Thomas J. Murphy, Vice Chairman

Thaddeus R. Beal, Treasurer

Paul R. Corcoran, Assistant Treasurer

On October 28, 1960 Prof. Charles M. Haar, who previously served as a member of the Authority until June, 1958, when he went to Europe for a year to teach, was appointed by the City Manager and was confirmed by the City Council on October 31, 1960 to fill the unexpired term of Raymond S. McLay, who resigned February 1, 1960. Prof. Haar's term will expire on October 29, 1962.

ROGERS REDEVELOPMENT PROJECT (UR MASS 7-2)

For a cash contribution equal to only 38 cents of the City's tax rate for one year, Cambridge, through the Redevelopment Authority, assisted in buying the 4 1/2 acre Rogers Redevelopment Project area, relocating 57 families, demolishing 23 buildings, and selling the cleared land which is incorporated into Technology Square, the new 14-acre industrial research and office center where up to 3,000 persons are expected to be employed.

It had been estimated that the City's share of the net costs of the Rogers

Project would be about \$116,000, with the Federal contribution being twice that amount.

It now appears that the City's share of the net cost will be about \$13,000 below that figure and the estimated Federal share about \$26,000 less than anticipated. One of the factors which lowered the net cost was the income from the parking permitted on the Rogers Project site by a Cambridge City Council vote.

As of December 31, 1960, a final Federal audit was underway on the Rogers Project. It is expected that this audit will determine that the City's cash contribution towards the net costs will be about \$89,000, the balance being made up by credit for taxes of \$14,000. It also appears that the Rogers Project will be the first Federally-aided redevelopment project where the project area has been sold and Federal audit completed.

The construction costs for Technology Square are expected to exceed \$15 million. The assessment on all the Lever Bros. properties on this site before demolition amounted to about \$2,100,000 and for the Rogers Redevelopment site an additional \$325,000, making a total of about \$2,425,000 on which the City realized about \$135,000 annually in taxes.

Until Technology Square is built, final assessment and tax return figures will, of course, remain uncertain. However, the planned investment at this site is more than \$15 million. Thus the Massachusetts Institute of Technology and Cabot, Cabot & Forbes Co. of Boston, which bought Lever and Rogers properties for the erection of Technology Square, have already made a substantial contribution to Cambridge prestige with more benefits to come in new construction, new tax returns and new jobs.

A year ago the new owners of the Rogers site agreed to buy the cleared land from the Redevelopment Authority for \$320,000. During 1960 details of this

disposition contract were worked out and the City Council cooperated with the redevelopers by the closing of all streets in the area, bordered by Broadway, Portland Street, Main Street and the Boston and Albany Railroad, which area encompasses all the Lever Bros. and Rogers Redevelopment Project properties.

The Authority, on October 26, 1960, held a public hearing on the terms of this disposition contract before passing title to Wyman Street Trust, the new owners, on November 1, 1960.

Months before taking title to the Rogers site, the new owners started demolition work on the former Lever Bros. buildings. With Mayor Edward A. Crane, representatives of M.I.T. and Cabot, Cabot & Forbes Co., and the Redevelopment Authority standing by on August 2, 1960, the 125-foot Lux water tower crashed.

RIVERVIEW PROJECT (MASS R-21)

The Authority signed a contract on November 10, 1960, with the First Realty Company of Boston to sell the Riverview Redevelopment Project cleared land at the corner of Mt. Auburn and Sparks Streets for \$150,000. Title to this land will pass after that company satisfies the Redevelopment Authority that it has an FHA mortgage loan guarantee commitment, or other adequate financing.

The company filed its FHA application on December 20, 1960 and expects to have final working drawings completed and construction started on the apartment house and low-rise residential building by the summer of 1961.

In January 1960, approximately 80% of the buildings on the site had been demolished. By February 1, 1960 the last remaining commercial tenants had been relocated and the buildings they occupied were demolished soon thereafter.

Public hearings were held by the Authority on the proposed contract with the First Realty Co. on April 12 and June 1, 1960 in the City Hall Annex. A zoning variance to allow construction up to 80 feet was granted by the Cambridge

Board of Appeal. Subsequently, agreement was reached between the Redevelopment Authority and residents in the neighborhood which would permit construction not higher than 73 feet on the building facing Mt. Auburn Street, which stipulation was filed in Superior Court.

The assessed valuations on all the properties within the Riverview Project area amounted to about \$114,000 on which the City received about \$7,000 in taxes in 1957.

It is anticipated that new construction will cost more than \$1,750,000, but accurate assessment and tax return figures will have to wait until final plans are approved and construction completed.

HOUGHTON URBAN RENEWAL PROJECT (MASS R-10)

The Federal government approved funds for this project, the application for which had been held in abeyance by the Housing and Home Finance Agency since September 1957 when the project was approved by the City Council. Lester Eisner, Regional Administrator of HHFA, personally delivered the approval to Mayor Edward A. Crane and the Authority in the Mayor's office on August 16, 1960.

Under a contract between the Authority and the City, planning in the Houghton area started with a housing census conducted by off-duty fire fighters, the Health Department and the Planning Board staff, the results of which were tabulated by the Authority. The Authority also signed a \$30,000 contract on November 3, 1960 with the City for the services of the Planning Board staff to prepare plans for this neighborhood, which work is now underway.

CAMBRIDGEPORT URBAN RENEWAL PROJECT (MASS R-11)

After work on the Cambridgeport Urban Renewal Project was first stopped by the Federal officials on April 1, 1959 for lack of a decision by the State on

the proposed Belt Highway, work again resumed on April 1, 1960 on the promise to the Federal officials by the State that a highway line would be set by July 1, 1960. When this failed to materialize, the Federal officials again stopped all work on this project as of August 16, 1960 and placed the project in suspension until December 31, 1960 at which time the officials said they would decide whether the project should be continued in suspension, go forward or be terminated.

Governor-Elect John A. Volpe, before the expiration date of December 31, obtained from Federal officials a continuation of the suspension until June 30, 1961 on the promise that he would seek an early highway decision, thus retaining for Cambridge the funds allocated for the Cambridgeport project.

DONNELLY FIELD URBAN RENEWAL PROJECT (MASS R-14)

A housing census and some preliminary planning on the Donnelly Field Urban Renewal Project were completed by August 16, 1960, at which time work was stopped by Federal order for the lack of a decision by the State on the Belt highway.

As in the case of Cambridgeport project, Governor-Elect Volpe obtained a continuation of the suspension until June 30, 1961.

The Donnelly Field project, since its approval by the City Council in December 1957, has been subject to financial fluctuations depending upon the availability of Federal funds or the lack of them. Cambridge's original application was for \$4,800,000 but nine months later this was cut back to \$1,564,154 after Congress failed to act on an urban renewal appropriation that year. When Congress authorized additional Federal funds for urban renewal, the Redevelopment Authority filed for \$4,600,000 for the Donnelly Field project, but Federal officials suspended action on this request when they ordered all work stopped on this project in August.

When work is resumed on this project the Planning Board will continue its services to the Authority under a contract for \$21,000, signed with the City on April 4, 1960.

BELT HIGHWAY AND URBAN RENEWAL

In its last two annual reports, the Authority has discussed the effect of the lack of a decision on the Belt Highway on the City's urban renewal program.

In this report discussion on this issue is confined to two points:

- 1) A restatement of the Authority's policy; and
- 2) The possible loss of Federal funds and credits should the two suspended projects be cancelled by Federal officials.

The policy of the Authority was stated by its then Chairman, Paul R. Corcoran, and subscribed to by all members of the Authority, at the Boston College Seminar on Urban Renewal on March 3, 1959 as follows:

"It is no part of the business of a Redevelopment Authority to select a major highway route; we have no authority, we are not planners for the whole City, and we have no access to highway engineers.

"But we have been instructed by our City Council to proceed with plans for the redevelopment of this (Cambridgeport) area. If we are to carry out these instructions, we must beg someone to give us the answers to two questions: Is any highway to be built? -- and if so, where and when?

"Our problem -- and we feel it is a metropolitan problem -- is what happens next? I am anxious to make our position clear. We do not urge that a Belt Route be built; we do not advocate a particular route; we simply point out that until a decision is made, our work on this project (Cambridgeport) is effectively terminated."

If the Cambridgeport and Donnelly Field projects are cancelled by the Federal officials it is estimated that Cambridge stands to lose financially:

Federal Grant for Cambridgeport -----	\$5,000,000
Federal Grant for Donnelly Field -----	1,500,000
Credits claimed by the City in the Cambridgeport area -----	2,100,000
Credits claimed by the City in the Donnelly Field area -----	<u>2,600,000</u>
Total -----	\$11,200,000

COMMUNITY RENEWAL PROGRAM

Upon the unanimous request of the City Council on October 31, 1960, the Cambridge Planning Board and Redevelopment Authority jointly studied the advisability of filing an application for Federal funds for a Community Renewal Program. Such a program would help to refine the existing City Plan by establishing priority areas in the City for urban renewal treatment over a long-range period, whether such treatment is to be assisted by Federal funds, State and City funds, a combination of all three, or funds from other sources.

At the close of the year application for Federal funds for the preparation of such a program was being prepared for City Council consideration.

CASH PAYMENTS TO CITY

The Authority in 1960 paid \$11,964.33 to the City for:

- 1) Taxes due City Collected at final settlements with property owners in Rogers and Riverview Project areas -- \$1,190.69
- 2) Water bills due City collected from property owners in Rogers and Riverview areas ----- 2,773.00
- 3) Payment in lieu of two months taxes from new owners of Rogers project site ----- 1,544.64
- 4) Services of Planning Board and fire fighters on Donnelly Field Project ----- 5,444.00
- 5) Public Works Department work on Rogers Project site ---- 1,012.00

NATIONAL ATTENTION

Renewal activities in Cambridge continue to receive national attention in news media.

Concerning the toppling of the water tower on the former Lever Bros. building, the Boston Globe reported on August 2, 1960:

"As dignitaries gathered for a carefully planned demolition ceremony this morning, a 125-foot Cambridge water tower was gone with the wind." But the wind didn't beat the news photographers. The pictures of this event were published in many magazines and newspapers in the United States and in foreign countries.

Across the country in Pasadena, California, the Independent Star-News in its issue of May 9, 1960, printed six column picture of the proposed Technology Square with the caption "Proposed \$15 million research center adjacent to M.I.T. Would a similar facility solve Pasadena's problem?" In accompanying article the question is asked, "Could Caltech(California Institute of Technology), Pasadena and Los Angeles metropolitan area be substituted for M.I.T., Cambridge and the Boston Metropolitan area in a similar situation with any feasibility?"

COOPERATION

The Redevelopment Authority appreciates the cooperation extended in 1960 by Mayor Edward A. Crane, City Manager John J. Curry, the City Council, heads of the City departments, the Cambridge Housing Authority, civic groups and State and Federal officials, and is certain that such cooperation will continue.

A consolidated Balance Sheet is attached.

Respectfully submitted,

John E. Connolly
Secretary

CAMBRIDGE REDEVELOPMENT AUTHORITY

Cambridge, Mass.

CONSOLIDATED BALANCE SHEET

December 31, 1960

ASSETS

Cash		93,490.80
Accounts Receivable		8,097.65
Investments - U.S. Securities		90,000.00
Project Costs	957,289.79	
Less - Sale Price of Land Sold	<u>323,600.00</u>	
Net Project Costs		633,689.79
Reimbursable Relocation Payments		<u>19,769.86</u>
Total Assets		<u>845,048.10</u>

LIABILITIES & CAPITAL

Accounts Payable		31,234.66
Accrued Interest Payable - HHFA		5,866.04
Notes Payable - HHFA		341,971.14
Capital:		
Local Grants-in-Aid	219,635.26	
Federal Capital Grants	226,571.00	
Relocation Grants	19,770.00	<u>465,976.26</u>
Total Liabilities and Capital		<u>845,048.10</u>

Certified Correct

Approved

By Lawrence S. DeCoursey
Accountant

By John E. Connolly
Executive Director

LSD:vb