Innovation Space Compliance Report

2019

November 20, 2019



Introduction

The following Innovation Space Annual Compliance report is submitted to fulfill requirements stipulated by the MXD Infill Development Concept Plan (IDCP), administered by the Cambridge Redevelopment Authority (CRA) and the Planning Board via Special Permit PB315 (the "special permit"). As part of the new commercial and residential uses authorized by the Special Permit within the Kendall Square Urban Renewal Plan (KSURP) area pursuant to the zoning ordinance, Boston Properties (BXP) pledged to deliver Innovation Space as a condition of approval for Commercial Building A (145 Broadway)—a component of Phase I of the IDCP—as well as Commercial Building B, a component of Phase II of the IDCP. As initially envisaged, the Innovation Space mandate is intended to ensure a dynamic and diverse environment within the urban ecosystem of Kendall Square and the City of Cambridge at large. With Cambridge Innovation Center's (CIC's) continued success and The Link's growing momentum at 255 Main Street, we hope that the impact of this strategy is already evident to members of the community.

This document is intended to illustrate how the operators of the Innovation Space at 255 Main Street are fulfilling the conditions mandated by the MXD IDCP process and the granting of the special permit on an ongoing basis. It will enumerate how both the Market Rate Innovation Space—operated by CIC—and the Opportunity Space component—operated by TSNE Missionworks—will offer space compliant with the standards established by Article 14 and Section 412 of the Kendall Square Urban Renewal Plan.

Since the filing of our first Innovation Space Compliance Report, CIC has expanded its presence within 255 Main Street. During its tenure, CIC has clearly demonstrated its exceptional ability to foster innovation ecosystems. The entrepreneurs located at 255 Main benefit from world-class infrastructure and programming for innovators, including high quality, flexible office space. The growth—and success—of CIC within Kendall Square is a clear sign of the continued vitality of Kendall Square and the City of Cambridge.

After approximately one year of planning, construction, and preparation, the Opportunity Space component of the Innovation Space commitment is now open! In partnership with BXP, TSNE Missionworks is operating The Link, a co-working, training, and event venue intended to provide affordable space for nonprofits, employers, and innovators focused on workforce development. Co-working office tenancy is growing quickly, and event space utilization is increasing as word of The Link's operations is transmitted throughout the Kendall Square community. Based on the mix of tenants already at home in The Link, we are confident that this space will achieve its mission of fostering opportunities for diverse stakeholders in the Kendall Square innovation economy.

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I. Innovation Space Phasing Plan

Innovation Space Phasing Plan

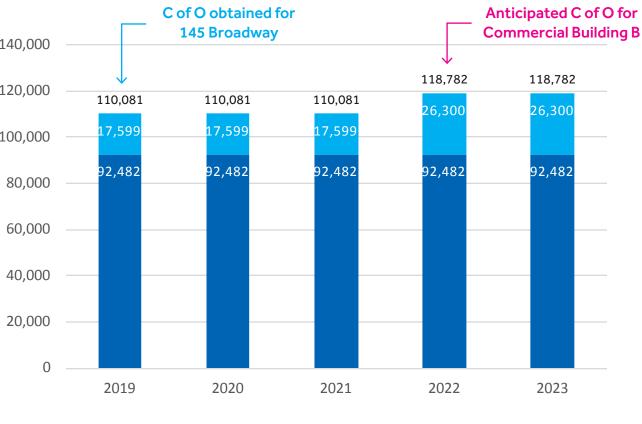
The enclosed phasing diagram delineates the delivery of both Market Rate and Opportunity Space within the KSURP area as a condition of approval for Commercial Building A and Commercial Building B as part of the MXD IDCP. Current plans for Market Rate and Opportunity Space place us ahead of mandated schedule for both Innovation Space components.

The 20,000 GFA "pre-innovation space" requirement referenced in the Commitment Letter for Ordinance Number 1334 dated August 2, 2010 as "Boston Properties' Commitments" #4 has been fulfilled in Phase I through the

delivery of ~92,482 GFA of market-rate innovation space, well above the Phase I minimum market-rate innovation space required of Phase I of 45,372 GFA. This early over-delivery of innovation space ~47,110 GFA fulfills this 20,000 GFA requirement until Phase II commences.

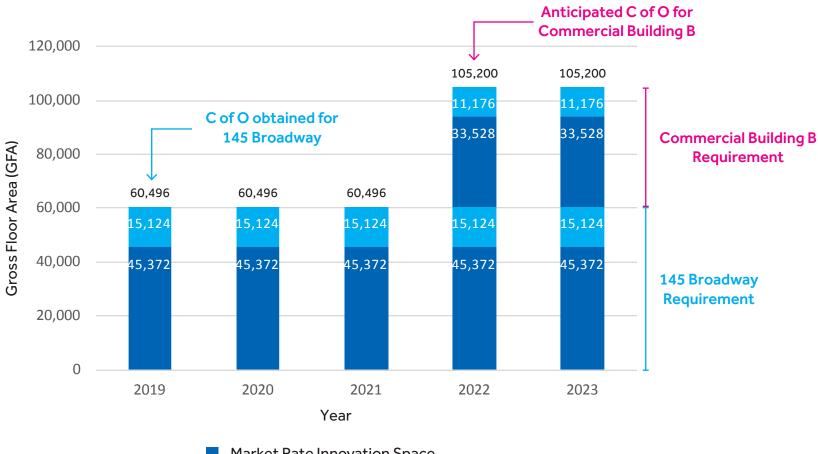
The phasing diagrams below illustrate the delivery of both Market Rate and Opportunity Space components of the Innovation Space mandate within the KSURP area, as stipulated in the conditions of approval for both Commercial Building A and Commercial Building B.





Planned Innovation Space Delivery





Market Rate Innovation Space

Below Market Rate Innovation Space

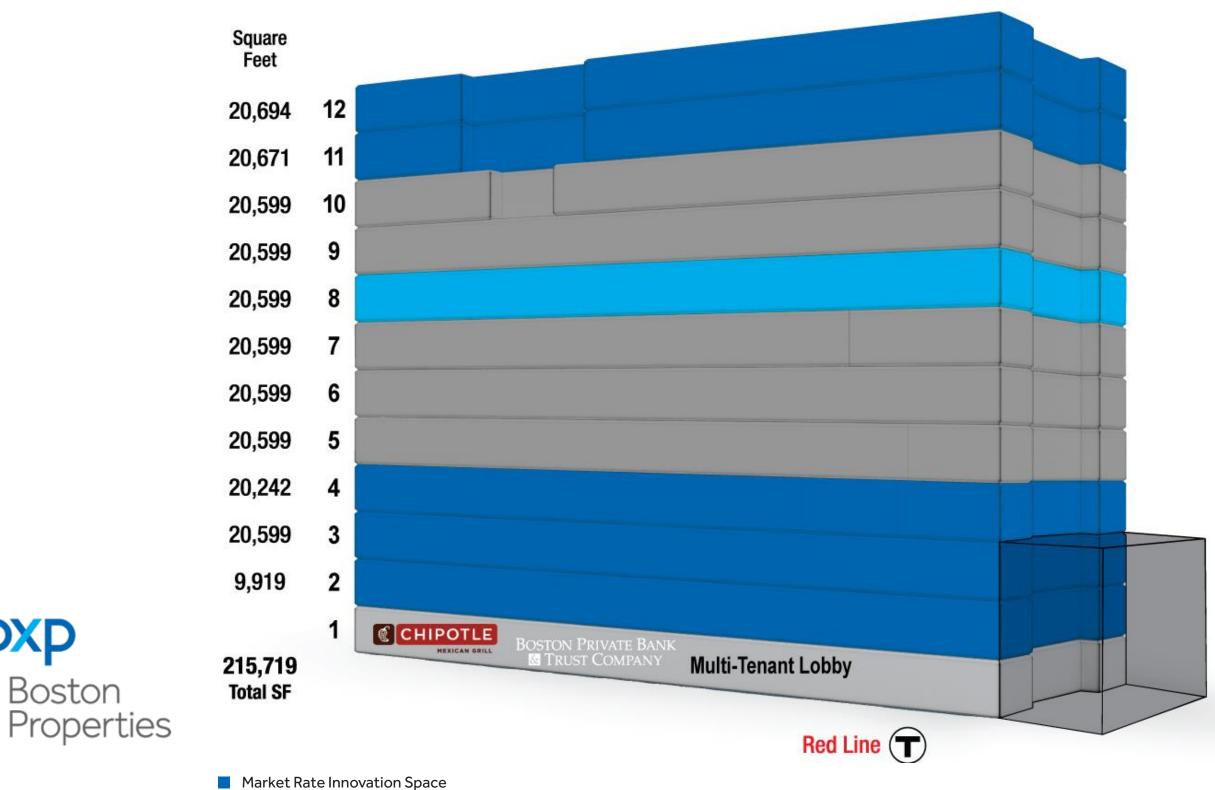
Year

Market Rate Innovation Space

Below Market Rate Innovation Space

II. Stacking Diagram – 255 Main Street

OVERALL STACKING DIAGRAM



bxp

Boston

Below Market Rate Innovation Space

Exclusive Innovation Space Lobby

III. Market Rate Zoning Compliance Narrative



Market Rate Zoning Compliance Narrative

CIC develops innovation ecosystems that enable exceptional entrepreneurs to create new products and companies better and faster. We do this by creating world-class infrastructure and programming for innovators, including high quality, flexible office space; shared wet-lab facilities; public, civic innovation spaces; and targeted initiatives to help entrepreneurs grow their companies.

CIC client companies come from all industries, primarily startups, innovation companies, as well as the innovation arms of larger corporations. Globally, CIC houses over 5,000 client companies in over 650,000 SF of premium office and co-working space.

CIC Innovation Space Overview

CIC occupies floors 2, 3, 4, 11, and 12 of 255 Main Street in Cambridge. Within these 5 floors, 83,473 RSF qualifies as Innovation Space.

Fulfillment of Innovation Space Plan

Innovation Space: A Concept Plan proposing more than 100,000 square feet of GFA for Office and Biotechnology manufacturing uses shall include a plan for Innovation Space meeting the requirements below. Innovation Space within the District must occupy GFA equal to, or in excess of, ten percent (10%) of nonresidential Infill GFA. Existing GFA within the District may be converted to meet this requirement. The Innovation Space requirement shall be met through the provision of office spaces of at least ten thousand (10,000) square feet or [ten percent (10%) of the newly constructed non-residential GFA, if less] within a single building and may be satisfied by means of a lease to a single user who will operate and manage a facility meeting the requirements hereof.

DESCRIPTION OF REQUIREMENT	HOW CIC FULFILLS THIS REQUIREMENT
Durations of lease agreements with individual office tenants shall be for periods of approximately one (1) month.	CIC maintains the same 30 day service agreements for all clients.
No single business entity may occupy more than two thousand (2,000) square feet or ten percent (10%) of the entire Innovation Space provided in the District, whichever is greater.	Total innovation space within the District is 60,496 for Phase I. All CIC clients are currently under 10% of this total space.
The average size of separately contracted private office suites may not exceed two hundred (200) square feet of GFA.	Based on a review of offices within the defined innovation space, the average size of separately contracted private offices will be 180 square feet.
Innovation Space shall include shared resources (i.e. co-working areas, conference space, classroom space, office equipment, showroom, shop or lab equipment, storage, circulation, supplies, and kitchens) available to all tenants and must occupy at least fifty percent (50%) of the Innovation Space.	All innovation space floors have at least 50% shared resources.
Individual entities occupying Innovation Space may include small businesses, incubators, small research laboratories, office space for investors and entrepreneurs, facilities for teaching and for theoretical, basic, and applied research, product development and testing and prototype fabrication or production of experimental products.	CIC services a range of clients, and our clients will fall into one or more of the described sectors.

IV. Opportunity Space Operations Report

Opportunity Space Operations Report

In accordance with our first Opportunity Space Operations Plan, Boston Properties has retained lease control of the 8th floor of 255 Main Street while partnering with an experienced licensee operator to run the Opportunity Space. Via extensive collaboration with TSNE Missionworks (TSNE)—operator of the NonProfit Center of Boston (NPC)— as of the submission of this report, Boston Properties has delivered its Innovation Space requirement in the form of The Link.

Conceived in response to the guidelines of the IDCP and the unique context of the Kendall Square community, The Link seeks to connect underrepresented job seekers to the innovation ecosystem of Kendall Square and Greater Boston. With a focus on workforce training and skills-matching, the space boasts facilities for co-working, flexible office, classrooms, and conference space. Both office and events spaces are open to all, and offer creative opportunities for fostering connections between different facets of the business and non-profit community in Kendall.

Completed by June of 2019, The Link serves as a platform for a variety of different uses. Over 30 workstations host co-working and office users, while three different classrooms facilitate instructional programming. Demountable walls between classrooms allow for considerable flexibility in use patterns, broadening The Link's appeal. Three small offices and one swing space round out the offerings available to Link tenants, accompanied by conference rooms available as an amenity to users of the space.

The benefits of TSNE's extensive track record in operating the NPC has already manifested itself in the tempo of The Link's operations. Office/co-working tenancy at The Link has been increasing rapidly. Per Scholas has opted to maintain a large presence in the form of several large classrooms, thereby anchoring overall tenancy and maintaining a strong connection between The Link and its mission. Other current tenants include A-T Children's Project, CDA Collaborative, Tech Talent Exchange, Open Agriculture Foundation, COSEBOC, Open Soul Organics Foundation, and the Cambridge Nonprofit Coalition. While The Link remains a living experiment in many ways—having initiated operations only 6 short months ago—initial indications are that the space will live up to the high hopes that fueled its construction and organization.

As previously envisaged, tenants of The Link have access to a variety of services and amenities, including:

- High speed internet
- Tech Support
- Networked printer/copier/scanner
- Access to conference space
- Cleaning, security, engineering services
- Stocked kitchen
- Community/educational events and programming



V. Opportunity Space Zoning Compliance Report

Opportunity Space Zoning Compliance Report

As currently conceived, the Opportunity Space on the 8th floor of 255 Main Street (The Link) complies fully with the requirements of Article 14, as well as the prescribed mission for Innovation Space under the KSURP as described by the narrative above. The below zoning compliance matrix is included for reference:

DESCRIPTION OF REQUIREMENT	HOW THE LINK FULFILLS THIS REQUIREMENT
Durations of lease agreements with individual office	TSNE's business plan incorporates agreements for
tenants shall be for periods of approximately one (1)	private and shared office, as well as co-working space
month.	at 255 Main Street on short-term license agreements.
	Relief was sought and received from the CRA board to
	offer terms as long as (1) year due to specific tenant
	requirements.
No single business entity may occupy more than two	Average clients of TSNE's currently occupy 1,976
thousand (2,000) square feet or ten percent (10%) of	square feet of space, and the floorplan in place at The
the entire Innovation Space provided in the District,	Link does not include single-tenant space larger than
whichever is greater.	2,000 square feet in size.
The average size of separately contracted private	The Link's buildout includes maximum of 150 SF per
office suites may not exceed two hundred (200)	private office on average.
square feet of GFA.	
Innovation Space shall include shared resources (i.e.	Over 50% of The Link's space qualifies as co-working,
co-working areas, conference space, classroom space,	shared kitchen, storage, and/or circulation space
office equipment, showroom, shop or lab equipment,	available to all tenants, while the remainder is
storage, circulation, supplies, and kitchens) available	allocated to shared, conference, and meeting facilities
to all tenants and must occupy at least fifty percent	available to both non-profit and for-profit
(50%) of the Innovation Space.	organizations irrespective of tenancy in The Link
	space.
Individual entities occupying Innovation Space may	The Link's tenants as of the submission of this report
include small businesses, incubators, small research	fall into one or more of the enumerated categories,
laboratories, office space for investors and	with the majority situated in the field of workforce
entrepreneurs, facilities for teaching and for	development.
theoretical, basic, and applied research, product	
development and testing and prototype fabrication or	
production of experimental products.	

VI. Opportunity Space Summary Report

Opportunity Space Summary Report

Space Allocation

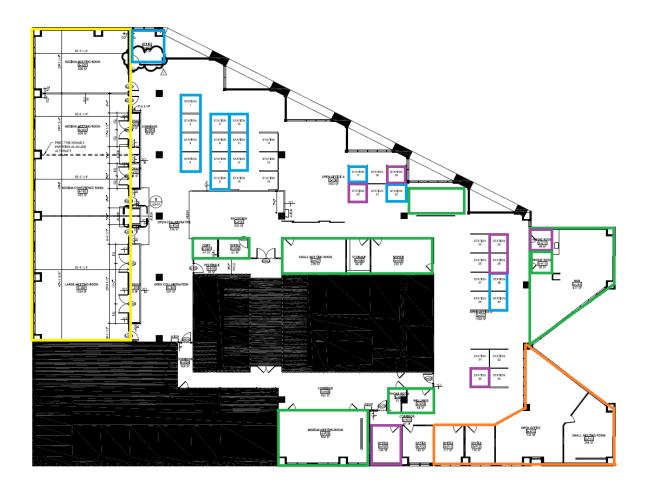
- The space has been designed with three instructional spaces capable of accommodating 25 students each, as well as one large event space with a capacity of 50. Operable partitions have been installed between two of these spaces to provide flexibility in accommodating larger events and classes. These spaces account for roughly 3,100 SF in total.
- 2. The majority of available square footage has been configured as a co-working area with a total of 34 workstations, accounting for approximately 5,000 SF of available square footage.
- 3. 7 private offices—each measuring under 150 SF—account for approximately 600 SF.
- 4. Residual square footage—approximately 9,000 SF—is dedicated to shared resources, including a kitchen/cafeteria area, a lounge, shared meeting spaces, and operational areas including uses such as storage, copy room, server room, and operator's room.

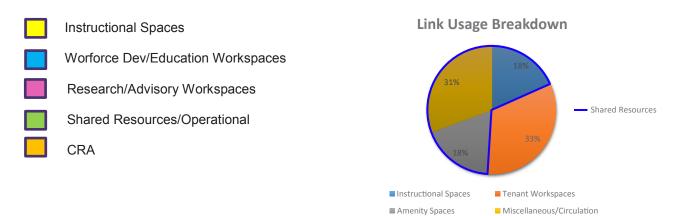
<u>Tenancy</u>

- 1. Occupancy: All workspaces at The Link, with the exception of CRA's space, are rented out to 501c(3) organizations as follows:
 - a. Education/Workforce Development: 18 workstations and 1 private office (an additional 8 workstations and 1 private office as of January 1, 2020).
 - b. Research/Advisory: 4 workstations and 2 private offices
- 2. Top Ten Occupants List
 - a. Per Scholas
 - b. A-T Children's Project
 - c. CDA Collaborative
 - d. Tech Talent Exchange
 - e. Open Agriculture Foundation
 - f. Green Soul Organics Foundation
 - g. Cambridge Nonprofit Coalition
 - h. Coalition of Schools Educating Boys of Color
 - i. Cambridge Redevelopment Authority
- 3. Vacancy:
 - a. Workstations: 13 vacant
 - b. Private offices: 1 vacant
 - i. Note: 8 workstations and 1 office under contract as of January 1, 2020.

VII. Link Space Floor Plan

The Link Kendall-Usage Breakdown





VIII. Innovation Space Presentation Slides



CIC Innovation Space 2019





What we believe

What we've accomplished

Our clients provide tomorrow's answers to today's problems. They renew our economies, create gainful and rewarding employment opportunities, and frequently crack tough problems facing humanity We built the world's largest science/tech focused innovation hub, in Cambridge, MA

We have built hubs in 6 cities, and have 4 more under development

We are creating the first global network of such hubs, initially covering 50 major cities



Introduction

Per the Innovation Space Plan, accepted by the CRA in December, 2018, CIC has submitted an annual compliance report to CRA. .

As of November 14, 2019, CIC has met guidelines for all requirements of the innovation space, as indicated in this document.



Description of Requirement

Durations of lease agreements (or other similar occupancy agreements) with individual office tenants shall be for periods of approximately one (1) month.

How CIC Fulfills this Requirement

CIC maintains the same 30 day service agreements for all clients

SERVICE AGREEMENT

The licensee(s) identified on the signature block of this agreement (the "Licensee") and CIC hereby agree to the following (the "Agreement" or "Service Agreement").

Please note that "Client", "you" and "your" refer to the aforementioned Licensee, and "CIC", "we" and "our" refer to the CIC agent identified in the signature block of this Agreement (the "Agent") for the Licensor(s) identified on Exhibit A for the locations that you use.

1. License: On behalf of the Licensors identified in Exhibit A, CIC hereby grants you, and you hereby accept from CIC, a license and privilege to operate a workspace and use the facilities designated by CIC (and as set forth in our monthly invoice to you) at one or more of the premises indicated in Exhibit A (individually and collectively the "Premises" or "CIC Premises"). This license does not convey title to any land or buildings and does not create a possessory interest or tenancy of any kind.

Either party may terminate this Agreement and license for any reason or no reason with 30 days' written notice (the Termination Notice as defined below).

notice if your needs change. CIC requests that you provide as much informal notice as possible of any planned decrease in your use of our services. Giving us an idea of your future plans will not prejudice your access to current services, and may allow us to introduce you to alternative options. Over and above any informal conversations you may have with us, you agree to provide CIC at least 30 days' advance formal definitive written notice of termination of this Agreement (the "Termination Notice") as well as of any material reduction of your use of space or services under this agreement. This means 30 days' Termination Notice is required if you plan to leave, but also if you plan to drop a part of your space at any of CIC's facilities. Please keep in mind that once you give us formal Termination Notice, CIC will release that space for reservation by others following the date you told us you will no longer require it, and it may not be possible for you to later reverse your decision. If you choose to vacate your space in fewer than 30 days from the time you provide us with Termination Notice, you will still be responsible for full payment of your fees through the date that is 30 days after Termination Notice is given, regardless of whether we reuse your space for others after you vacate.



Description of Requirement

No single business entity may occupy more than two thousand (2,000) square feet or ten percent (10%) of the entire Innovation Space provided in the District, whichever is greater.

How CIC Fulfills this Requirement

Total innovation space in the district is 60,496 for Phase 1. All CIC clients are currently under 10% of this total space.

*Top 5 Largest Clients at 245 Main Street by Square Footage

CLIENTA	
CLIENT B	
CLIENT C	
CLIENT D	
CLIENT E	





Description of Requirement

The average size of separately contracted private office suites may not exceed two hundred (200) square feet of GFA.

How CIC Fulfills this Requirement

Based on a review of offices in the defined innovation space, the average size of separately contracted private offices is 180 square feet.



Description of Requirement

Innovation Space shall include shared resources (i.e., co-working areas, conference space, classroom space, office equipment, showroom, shop or lab equipment, storage, circulation, supplies and kitchens) available to all tenants and must occupy at least fifty percent (50%) of the Innovation Space.

How CIC Fulfills this Requirement

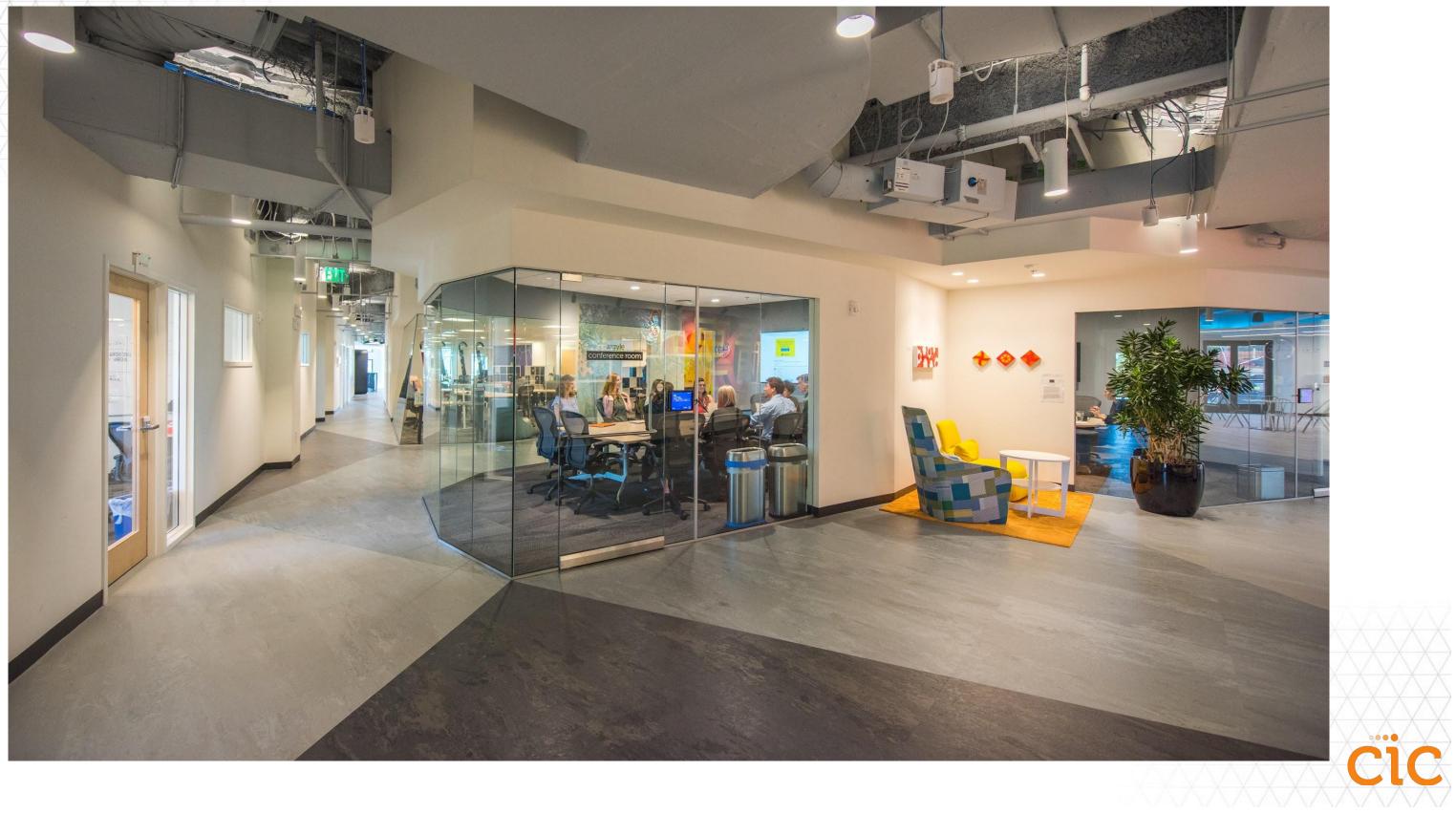
All innovation space floors have at least 50% shared resources. Below is a diagram of an actual floor showing breakdown of shared resources to private office space.















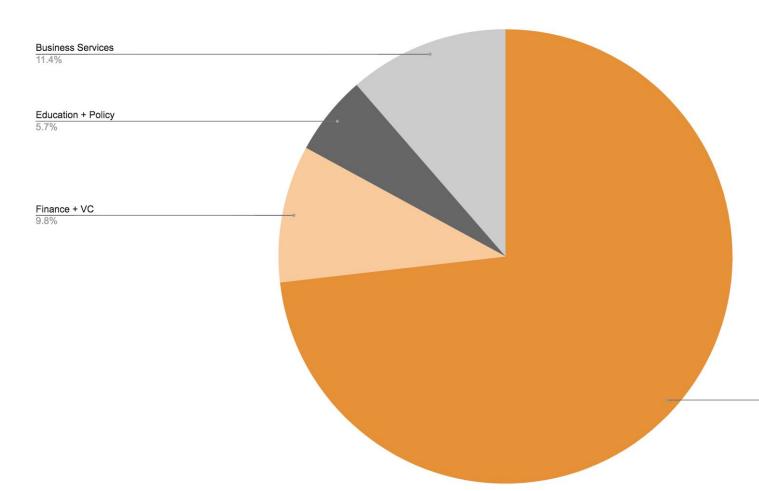


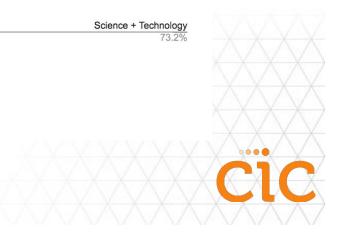
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How CIC Fulfills this Requirement

All 245 clients at CIC currently fall within one or more of the described sectors





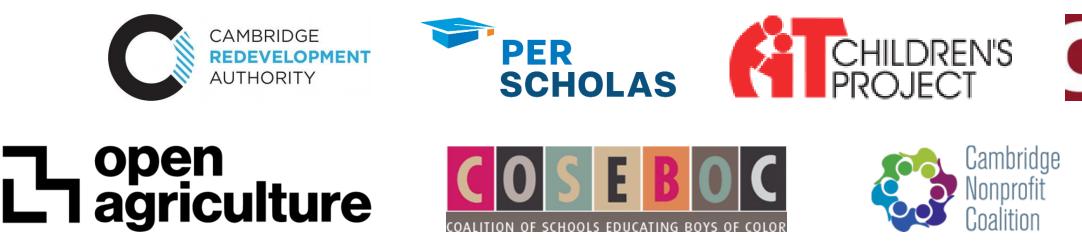
OPPORTUNITY SPACE 2019 UPDATE

CONTEXT

BXP has a zoning obligation for 105,200 SF of Innovation Space composed of:

- 92,482 SF of Market Innovation Space fulfilled by the CIC (45,372 SF required)
- 17,599 SF of Opportunity Space fulfilled by BXP (15,124 required)

The Link officially opened in June of 2019 and is currently home to CRA, Per Scholas, A-T Children's Project, CDA Collaborative, Tech Talent Exchange, Open Agriculture Foundation, COSEBOC, Open Soul Organics Foundation, Cambridge Nonprofit Coalition, and MassBioEd (January 2020).





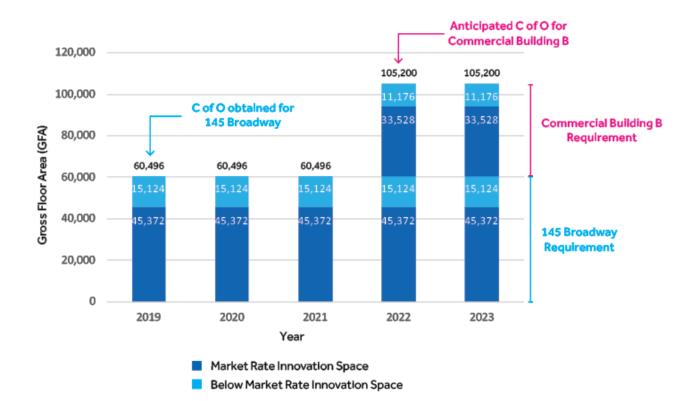


INNOVATION SPACE PHASING PLAN

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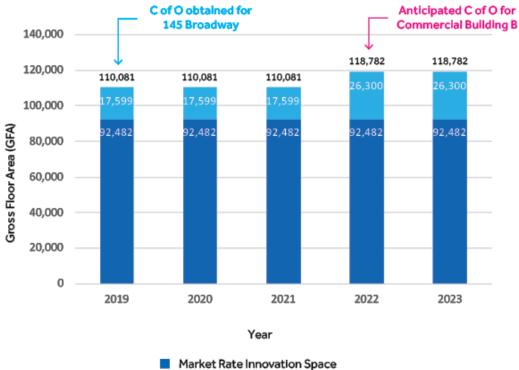
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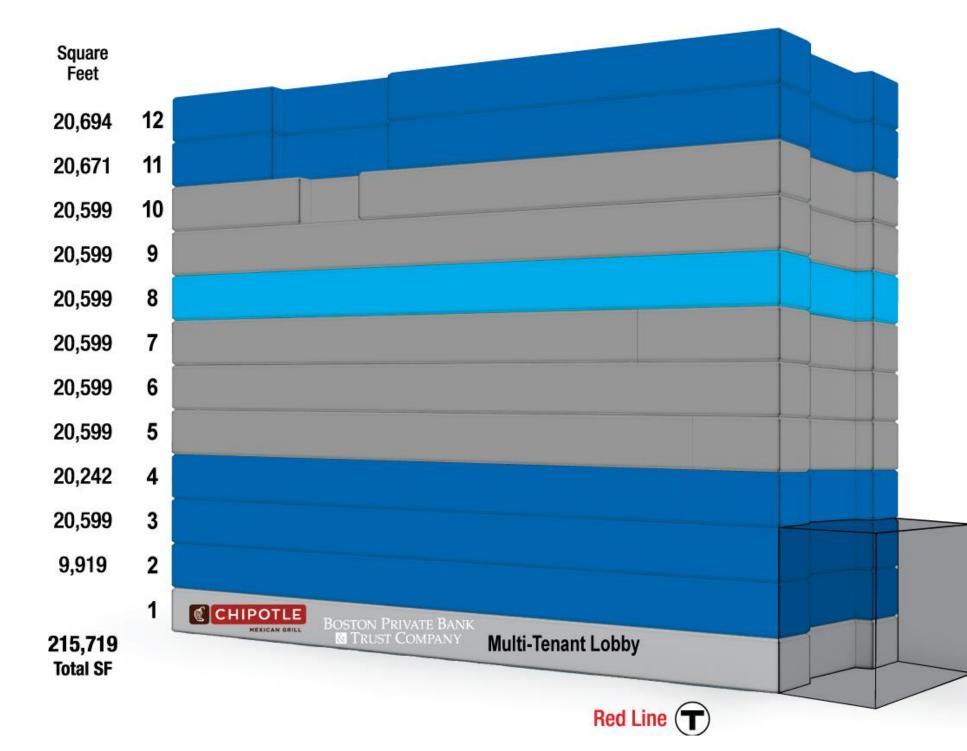
Required Innovation Space Delivery

Planned Innovation Space Delivery



Market Rate Innovation Space
Below Market Rate Innovation Space

OVERALL STACKING DIAGRAM





OPERATIONS OVERVIEW

- Education:
- (3) instructional spaces, 25 students each
- (1) large event space, 50 students
- Co-working:
- (34) workstations
- **Private Office:**
- (7) private offices
- **Shared Resources:**
 - Kitchen/cafeteria, lounge, shared meeting, operational (storage, copy room, servers, etc.)
- Vacancy:
- Workstations: (13) vacant, (8) under contract Jan 2020
- Private offices: (1) vacant

FLOORPLAN

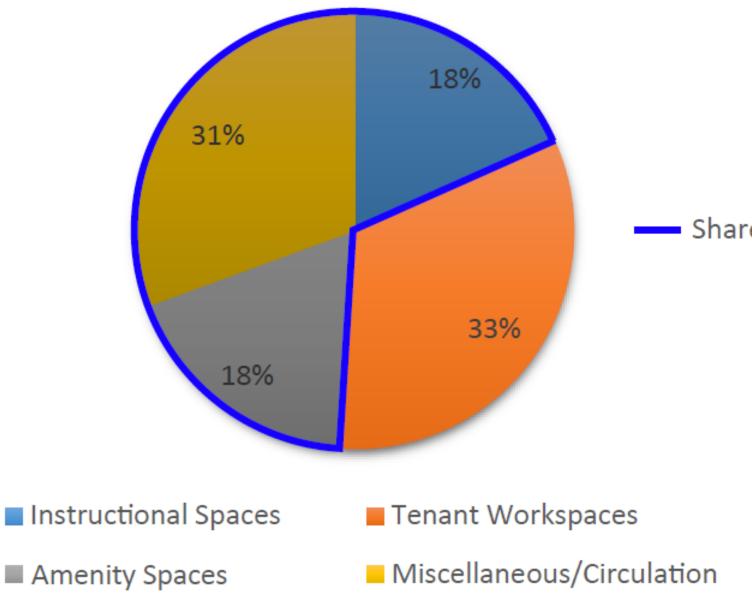


Instructional Spaces

Worforce Dev/Education Workspaces

Research/Advisory Workspaces

The Link Usage Breakdown



Shared Resources