

# 45th ANNUAL REPORT 2001

## *of the Executive Director*

### Cambridge Redevelopment Authority

#### Walden Square Urban Renewal Area

On May 14, the Authority transferred, by confirmatory deed, Tract Numbers 2, 3A and 3B located in the Walden Square Urban Renewal Area to the City of Cambridge.

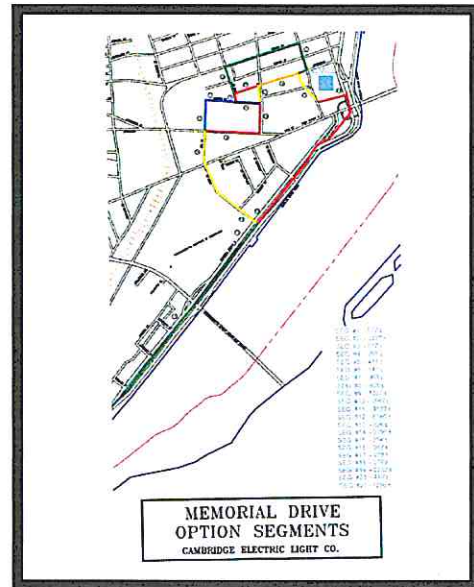
#### Wellington-Harrington Urban Renewal Area

At its July meeting, the Authority Board voted unanimously to approve Agreement term extension to June 30, 2002, as Amendment No. 23.

#### Kendall Square Urban Renewal Area

In December 2000, The Energy Facilities Siting Board announced The Commonwealth Gas Company's proposed construction of a 2.2. mile long, 16-inch underground natural gas pipeline in Somerville and Cambridge, and announced the related public hearing held on January 4. A second public hearing was scheduled for March 5 because some of the abutters to the route and route segments who were required to receive notice of the hearing did not receive such notice. The March 5 meeting was cancelled because of inclement weather and rescheduled for March 22.

In January, the Authority offered its comments to the Massachusetts Environmental



*NSTAR's new petition submitted to the Energy Facilities Siting Board*

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Protection Agency (MEPA) respecting the Kendall Station Electrical Interconnect Project, indicating its support of the preferred route segment alignment and offering comments on the alternate segment variations. In early February, the Executive Office of Environmental Affairs (EOEA) determined that the Interconnect Project did not require the preparation of an Environmental Impact Report. However, the project did require approval from the Energy Facilities Siting Board, Chapter 92 approval from the Metropolitan District Commission, and several approvals from the City of Cambridge.

After much discussion with the Authority, Cambridge Electric Light Company (NSTAR) withdrew their initial petition with the Energy Facilities Siting Board and submitted a new petition calling for construction of the transmission line along a route that from the Authority's perspective was more viable (specifically from Southern Energy's Kendall Generating Station to NSTAR Electric's Putnam Bulk Substation, primarily along Memorial Drive.)

## Kendall Square Rezoning

In an effort to enliven Kendall Square during all hours of the day, the Planning Board, upon the recommendation of the Authority, proposed zoning changes intended to create a transition in land uses from Broadway to the residential neighborhoods north of Binney Street by requiring residential development to the north of Broadway and mixed-use development to the south, with a commercial district that encourages retail along Third Street.

In January, Boston Properties's President and CEO outlined its specific reasons for objecting to the housing requirement within the MXD district and expressed its support of the Authority's proposal that housing be constructed on Parcel 1 rather than Parcel 3. Boston Properties recognized the Planning Board's understanding that in considering the proposed housing requirement in the MXD district, other City contractual obligations and policy

considerations would need to be weighed against the objective of increasing the housing supply in Cambridge. But they emphasized the need to even more fully consider the complex contractual and regulatory environment. Boston Properties expressed its support of the Authority's proposal that the housing requirement be imposed on Parcel 1 rather than Parcel 3. In a letter, Boston Properties said, "By exploring this alternative, the City could meet its goal of creating new housing, and the MXD district could be completed in a manner consistent with the contractual undertakings and regulatory requirements that have governed development in this area for more than twenty years."

In January, Biogen's President and CEO expressed to the Chair of the Committee on Ordinances its concerns about the proposed rezoning, explaining that such rezoning would prohibit Biogen's plans for expansion. He explained that as a result of its prior industry use the land the rezoning would affect (Area B from Industry B-1 to Resident C-2A) has an Activity and Use Limitation (AUL) that prohibits residential housing. Therefore, rezoning the property would be unlikely to result in the creation of any housing and would instead merely impose a hardship upon current owners and existing occupants, like Biogen. Biogen's CEO went on to express Biogen's support for the Authority's proposal for housing on the underutilized portions of the DOT's site instead.

In February, the Executive Director advised the Authority Board members of the substitute amendment to the Cambridge Zoning Ordinance that the City Council had adopted on February 12. The Authority noted the following changes in the Citywide Rezoning Petition: 1) The rooftop mechanicals provision was eliminated and a substitution of screening and buffering requirements was adopted; 2) The MXD district was excluded from the Inclusion of Structured Parking in FAR requirement; 3) The MXD district was excluded from the Project Review Special Permit requirement and, consequently, from the Citywide Urban Design Objectives; 4) The MXD district was excluded from the Citywide Advisory Development Consultation Procedures; 5) The MXD district was

excluded from the Building and Site Plan Requirements; and 6) The MXD district was excluded from the Parking and Loading requirements. The Authority identified its concerns that were not addressed by the substitute amendment — namely the proposed downsizing of Area B (land north of Binney Street) and the proposed 150,000 square foot residential requirement in the MXD district — and explained that because the City Council intended to refile the “eastern sector” provisions to coincide with the completion of the Eastern Cambridge Planning Study (ECaPS) and the expiration of the Building Moratorium on July 24, the Authority would be in a position to present its case on these remaining items within the following 4-6 months. The Authority also noted its intention to meet with Biogen and Boston Properties in order to 1) define and initiate a plan of action (with ECaPS and Goody, Clancy, the consultant group undertaking the study, the Community Development Department, the Planning Board and City Councillors); and 2) discuss the need to proceed with the Parcel 1 legislative effort in order to strengthen the Authority’s argument to remove the residential requirement from the proposed rezoning.

At a June 5 hearing of the Planning Board, the Authority suggested several changes that the Planning Board agreed to make to its recommendations to the City Council regarding the Citywide Zoning Petition. Specifically, the Executive Director presented testimony regarding the Authority’s proposed open space and residential development north of Potter Street and commercial development south of Potter Street. He commented on an Authority letter to the Chair of the Planning Board, dated May 1, noting that the Authority was proposing the development of 750 housing units and open space together with 750,000 square feet of commercial use on Parcel 1. He noted that up to 75,000 square feet of ground floor retail use, not included in the 750,000 square feet and not having any required parking, should be allowed, and that some provision to allow for a power station should be made. He also noted that the ECaPS recommendation for

7.5 acres of open space was problematic in that it would require the demolition of all but one of the Department of Transportation (DOT) buildings south of Potter Street, and pointed out that the proposed legislation would provide for the reconveyance of 5.8 acres of land north of Potter Street, leaving all of the DOT buildings south of Potter Street alone. The Planning Board then modified its proposed recommendation to the City Council and voted 1) to make provisions for a park of fewer than 7.5 acres; 2) to exempt the first 50,000 square feet of retail for the maximum commercial GFA; 3) to adopt an overall Floor Area Ratio (FAR) of 3.0 for Parcel 1; and 4) to identify as a use by Special Permit (SP) a power station. At the hearing, the Executive Director went on to explain the May 17 Authority letter respecting the proposal to require the development of 150,000 square feet of residential uses on Parcel 3. He presented the Authority’s proposal that there be 200,000 square feet of residential use, in addition to the ground floor retail, office and garage, and commented that this proposal would both allow the Planning Board to achieve its goal of residential development in the project and allow the Authority to meet its contractual obligations to Boston Properties and Biogen. The Executive Director suggested that the proposal could be accomplished by amending the MXD GFA provisions by increasing the maximum by 200,000 square feet. The Planning Board then voted to modify its recommendation to the City Council and voted 1) to increase the maximum GFA in the MXD district by 200,000 square feet to be used for residential development; and 2) to make the residential development on Parcel 3 subject to Project Review by the Planning Board.

At a July 18 City Council public hearing, the Executive Director stated the Authority’s objections to the enactment of the so-called Birk petition and pointed out the following: 1) that the proposed rezoning on the Volpe-NSTAR site was not consistent with the recommendations of the Planning Board, based on the ECaPS study, and that the Authority supported the Planning Board’s recommendation(s); and 2) that the proposed rezoning for Parcel 3 – MXD District to allow only residential uses in the remaining development areas

in the MXD District would not permit the Authority to meet its current contractual obligations to Boston Properties and to Biogen. In light of these factors, the Authority requested that the Committee on Ordinances recommend unfavorable action to the City Council.

## **Kendall Square Urban Renewal Area/ Parcel 1**

The Executive Director announced that the Authority had arranged for the filing of legislation that would provide for 5.8 acres of the land owned by the Federal Government to be reconveyed to the Authority for open space and housing on Parcel 1. Reiterating the Planning Board's recommendation that up to 750,000 square feet of commercial use together with 50,000 square feet of retail uses be permitted on the site, the Executive Director pointed out that the legislation would fund a feasibility study to identify possible commercial development south of Potter Street. The Executive Director also endorsed, on behalf of the Authority, the proposed changes for Parcel 3, namely: 1) the proposal to increase the aggregate gross floor area (GFA) by 200,000 square feet, to be limited to residential uses; 2) the proposal to exempt the parking garage from requirements as to FAR and to exclude it from the calculation of GFA; and 3) the proposal to require that any portion of a structure containing residential uses be subject to the provisions of Project Review Special Permit. The Executive Director announced that Boston Properties had, at the request of the Authority, modified its Schematic Design Phase submission for Seven Cambridge Center, and that the Authority had given initial approval of the submission.

*See this legislation on next page*

In June, the Working Committee on the Urban Ring Major Investment Study (MIS) met for presentation and discussion of the project's status, schedule and alternatives. The Massachusetts Department of Environmental Protection granted an extension to the deadline for a project Environmental Notification Filing (ENF) from June 30 to July 27. A scoping session for the project's environmental review process was planned for after the ENF filing.

After reviewing the ENF on the Urban Ring Project, the Authority sent a September 14 letter to the City Manager transmitting comments on the potential impacts of certain alignments of the Urban Ring corridor for inclusion in the City's response.

At the suggestion of the City Manager, a formal comment letter dated October 30 was sent to the Director of the MEPA Unit at the Executive Office of Environmental Affairs. The Authority, as the owner of property directly affected by certain alignments of the proposed Urban Ring corridor, offered a number of comments on the project and asked that it be consulted as the project moved forward.

In January, the Authority proposed to NSTAR that a meeting be held to discuss the potential for joint development of the former Cambridge Gas Company property on Parcel 1 to include housing and directed Haley and Aldrich to conduct a Department of Environmental Protection file review and historical map research on the site to assess potential environmental concerns.

The Authority endorsed the Just-A-Start application to Harvard University for a Harvard Housing Innovations Grant and welcomed Just-A-Start's participation in redevelopment efforts at Kendall Square with the goal of maximizing affordability in housing on the remaining underdeveloped land in the Kendall Square Urban Renewal Area. At the end of May, Harvard University's Housing Innovation Program awarded Just-A-Start a \$17,000 grant.

In August, Representative Michael Capuano announced to the House of Representatives his intention to introduce legislation

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107TH CONGRESS  
1ST SESSION

# H. R. 3300

To reconvey certain property.

✓PSC  
✓MCM  
✓JFT  
✓HLB  
PST

✓SS  
JT  
HA  
SF Pataki  
RF

## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 15, 2001

Mr. CAPUANO introduced the following bill; which was referred to the Committee on Financial Services

## A BILL

To reconvey certain property.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. AUTHORITY FOR ACQUISITION OF AND DEVEL-**  
4 **OPMENT WITHIN CERTAIN URBAN RENEWAL**  
5 **PROJECT AREAS.**

6 (a) DEFINITIONS.—As used in this section, the  
7 term—

8 (1) “date of reconveyance” means the date on  
9 which the disposable real property is reconveyed to  
10 the Cambridge Redevelopment Authority;

11 (2) “NTSC” means the John A. Volpe National  
12 Transportation Systems Center;

to reconvey Federal property to the Authority. The Authority worked to secure Governor Swift's signature on a letter in support of Parcel 1 legislation to be sent to the Massachusetts Delegation, Representative Capuano, Secretary of Transportation, Norman Mineta, and Secretary Martinez. On November 15, Representative Capuano filed the Parcel 1 legislation in the House of Representatives.



*Alternative 2 for DOT and NSTAR property*

In March, the Authority advised Representative Michael Capuano of the progress of negotiations with NSTAR regarding its land on Parcel 1, specifically that NSTAR has expressed a high level of interest in developing the site within the parameters identified by Authority staff. Representative Capuano was also advised of the Cambridge community's relative acceptance of the Authority's proposal to reconvey the Department of Transportation (DOT) land, as evidenced by the City Council's adoption by unanimous vote of the October 2, 2000 Resolution to support the efforts of the Authority to reconvey the DOT site for open space and housing purposes.

In August, it was determined that the NSTAR site met the standards necessary to permit a hotel use, according to the C-2B zoning proposed for the site.



*15 Cambridge Center (Biogen)*

## **Kendall Square Urban Renewal Area/ Parcel 2**

At its February meeting, the Authority Board voted to authorize the issuance of a Certificate of Completion for Fifteen Cambridge Center by the Executive Director and to approve an escrow agreement for any unfinished items.

In late July, the Authority approved Boston Properties's revised Site Graphics package for the pedestrian passageway at the North Garage.

In November, the Authority signed and submitted to the Commissioner of Inspectional Services an amended Certificate of Completion for the Fifteen Cambridge Center closing.



*14 Cambridge Center*

In early November, the Authority approved interior and exterior modifications (Clifford Hoffman Associates plans) to Fourteen Cambridge Center.

## Kendall Square Urban Renewal Area/ Parcel 3

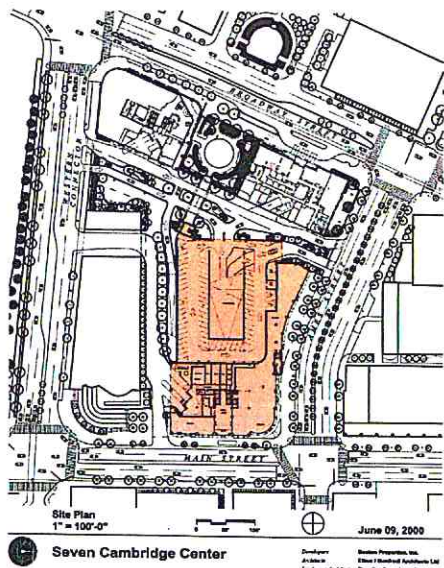
At its February meeting, the Authority Board voted to conditionally approve the Seven Cambridge Center Revised Schematic Design Phase Submission, dated June 9, 2000, subject to several items identified in the approved letter, dated December 1, 2000.

At the Authority's July meeting, the Executive Director reported on the status of development activities and the effect of the proposed zoning amendment on the potential value of development rights on Parcel 3. A list of general development issues presented by Boston Properties and a preliminary estimate of development values based on consultations with three independent appraisers and one member of the Board of Assessors was reviewed at that meeting.

At its July meeting, the Authority unanimously voted to authorize the Executive Director to undertake negotiations with Boston Properties for the purpose of identifying the following changes to the Development Agreement to be incorporated as Amendment Number 12: (1) Urban Renewal Plan and MXD zoning to reflect an increase in the Maximum Gross Floor Area allowed for 200,000 square feet for residential uses; (2) Master Plan Framework and Concept Design Plan to be modified to reflect residential uses; (3) the "best efforts" language citing 100,000 to 300,000 square feet of residential to be modified to reflect 200,000 square feet of residential; (4) Section B., Paragraph 2 to be modified to provide, in addition to the Purchase Price, a payment reflecting the value of the additional residential development; and (5) the Authority's consent to the inclusion of an entity to develop the residential uses, and further, to provide the approval of that entity, with the recommendation that Boston Properties use the "Pru" residential development as a model.

In late August, the Department of Environmental Protection (DEP) advised the Secretary of the Executive Office of Environmental Affairs that DEP had reviewed the Notice of Project Change for the Kendall Square Urban Renewal Area project and offered several air quality and transportation comments, as published in *The Environmental Monitor* on August 8. In an August 8 letter to the Authority, Stephen Kaiser, a Cambridge resident, registered his concerns regarding Plan Amendment No. 5. In an August 26 letter to MEPA, Barry Zevin, Cambridge resident and member of ECaPS, registered his support for zoning recommended by ECaPS that would limit use of the land to only multi-family housing and first-floor retail uses, but also registered his rejection of proposed above-ground parking (Plan Amendment No. 5). In early September, the Executive Office of Environmental Affairs notified the Authority of its determination that Kendall Square Urban Renewal Area did not require the preparation of a Supplemental Environmental Impact Report and issued a Project Change Certificate for the project. In an October 24 letter, Fay, Spofford & Thorndike, on behalf of the Authority, followed up with DEP regarding its (DEP's) August 27 memorandum regarding the Notice of Project Change for Kendall Square Urban Renewal Area. The purpose of this follow-up letter was to fulfill the requirements contained in the Secretary's Certificate for the applicants to consult with DEP regarding additional air quality analysis and to confirm that no further analysis was required. The follow-up letter presented analysis of documented traffic generation (1977-2001) showing that the projected increase in traffic generation with the development approved in the Notice of Project Change was negligible.

Upon review with Authority legal counsel, the Authority determined that Amendment No. 5, increasing the floor area maximum by 200,000 square feet for residential uses, constituted a minor plan change in that 1) the Urban Renewal Plan's capacity to fulfill national goals was not negatively affected; 2) the proposed change was relatively insignificant and helped the Authority attain a



*Site Plan for 7 Cambridge Center*

primary Plan objective, namely to provide for the most appropriate reuse of the land in conformity with the general plan of the City of Cambridge as refined by ECaPS and the recommendations of the Planning Board; 3) the proposed change did not impact any aspect of project financing within the Plan area; 4) the proposed change did not result in any increase in the relocation workload (no displacement will occur); and 5) the proposed change did not increase the environmental consequences of the Plan, since the only measurable potential impact — a slight increase in daily vehicular trips — was considered to be minimal. At its July meeting, the Authority voted unanimously to approve the determination that Amendment No. 5 to the Kendall Square Urban Renewal Plan constituted a minor plan change, and voted to adopt a Resolution approving Amendment No.5. At the same meeting, a public hearing was held to present and take public testimony on Amendment No. 5 to the Kendall Square Urban Renewal Plan. Also at the July 11 Authority meeting, a draft of a letter to the Department of Housing and Community Development requesting concurrence in the above-named Authority determination was presented.

At its September meeting, the Authority voted to approve the expansion of the Six Cambridge Center banners program, which would continue the banners along the east elevation of the building. The expansion of the banners program satisfied the Authority’s request for additional banners during the design review process for Six Cambridge Center.



*Banner for Seattle's Best at 6 Cambridge Center*

## Kendall Square Urban Renewal Area/ Parcel 4

Spaulding and Slye, property manager for the East Garage, completed a comprehensive redesign and renovation of the rooftop open space. The original open space, a formal one-acre “garden”, was designed by the well-known landscape architect Peter Walker nearly a quarter century ago. It was comprised of stonedust pathways, planted parterres that formed a maze, and several trellises with vines. The perimeter planting was preserved. However, the new design, by Rick Kattman, features more seating, and opportunity to sit on grass, several changes in elevation and two gazebo-like structures. The paving colors bring in the so-called “Kendall Square paver blend” found at ground level. These changes were reviewed by Authority consultants, Larry Bluestone and John Tingley. Authority staff presented the redesign with a positive recommendation.

*See next page for before and after pictures of the Rooftop Garden at East Garage*





*Rooftop seating before construction*



*Rooftop seating after construction*

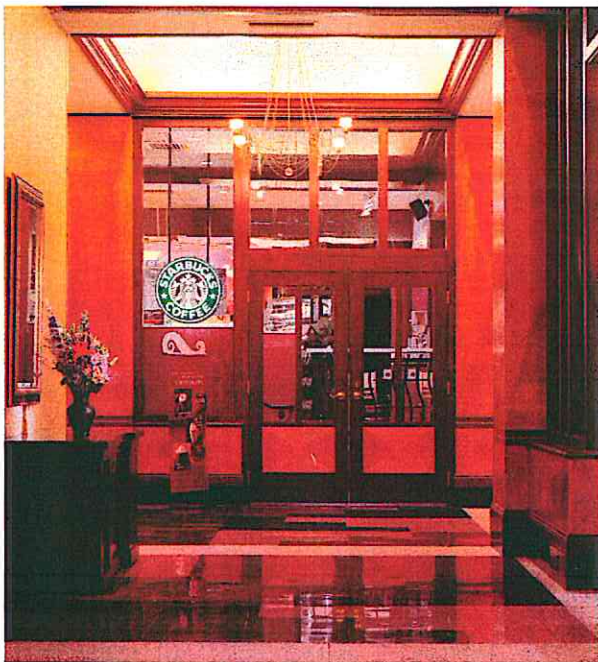


*Rooftop configuration before construction*



*Rooftop configuration after construction*

In April, the Authority advised Boston Properties of the results of its review of plans for the renovation of the Marriott lobby and gift shop, as well as the conversion of the existing lobby bar and Rogers Meeting Room to a coffee shop and a newly reconfigured and relocated lobby bar and seating area. The Authority granted conditional approval of the plan, subject to the satisfactory resolution of several issues. At the September Authority meeting, a report was received on the prior approval of the revised floor plan for the proposed coffee shop in the lobby of the Marriott, reflecting previous Authority comments on the layout.



*Starbucks in the Marriott Lobby at 2 Cambridge Center*

In a November 9 letter to the Commissioner of Cambridge Inspectional Services, the Authority addressed issues raised by Inspectional Services regarding renovations to the Marriott lobby, namely 1) that there would be no exterior signage to be installed identifying the coffee shop; 2) that there would be no direct street entrance to the coffee shop (ie, coffee shop could only be accessed from within the hotel); and 3) that the coffee shop would be staffed, operated and managed by Marriott employees. The Authority letter went on to certify that the plans for the lobby renovations the Authority had reviewed were consistent with their review and

discussions with hotel management and building owner representatives and requested that Inspectional Services condition the issuance of the building permit to reflect the three above-noted certifications. In November, the Marriott filed an application for a Change of Premises Description with the Cambridge License Commission in order to allow for the operation of the new coffee shop, and a hearing date was set for December 11.

In late May, Boston Private Bank and Trust Company (BPB&T) advised the Authority of its interest in locating in Kendall Square, specifically in the space previously called the Authority Marketing Suite. They identified BPB& T's aims as a bank, namely to provide quality services to people of all incomes, with a focus on low- and moderate-income first time homebuyers, small businesses, and non-



*Boston Private Bank & Trust at 1 Cambridge Center*

profit organizations. In August, the Authority advised Boston Properties that the Authority hadn't yet received notice or copy of the BPB& T's Banking Commission filing, and requested that Boston Properties arrange to have a copy of all submittals made to the Banking Commission by the Bank transmitted to the Authority together with all testimony presented, findings and/or decisions of the Commission, if any, and a likely schedule of approval transmitted to the Authority. In an August 30 letter, BPB& T transmitted copies of their branch applications to the Banking Commission.

In late August, the Banking Commission granted BPB& T approval to establish a branch office (and an ATM) at Two Cambridge Center,

provided the branch office opening took place within one year from the date of the letter.

In early November, the Authority received from Boston Properties two drawings illustrating existing conditions and proposing renovations to the Au Bon Pain restaurant at the Food Court. The Authority granted conditional approval to the proposed renovations, subject to a final review of materials.



*Renovations at Au Bon Pain in the Food Court*

### **Kendall Square Urban Renewal Area/ Parcel 7**

In late June, the Authority received notice that the Department of Housing and Urban Development had received its application for a FY 2001 EDI-Special Project Grant.

### **Technical Services**

At its February meeting, the Authority voted to approve a Contract Amendment with the Commonwealth of Massachusetts, acting through its Division of Capital Planning and Operations (DCPO), to provide for the extension in the term of the Contract and to increase the maximum compensation in an amount not to exceed \$100,000.

In late June, the Division of Capital Assets Management authorized the Authority to proceed on the Downtown Worcester Trial Court project, with a not to exceed fee of \$58,000 and with reimbursables on an as-needed basis with a not-to-exceed maximum of \$40,000.

At the November Authority meeting, the Executive Director reported on the Authority's submission of a technical services proposal in response to Arlington Redevelopment Board's Request for Proposals for the Lahey development project. At the same meeting, the Board voted to authorize the Executive Director to negotiate a technical services contract with the Town of Arlington in an initial amount not to exceed \$100,000.

### **Site Operations/ Administration**

In early January, Boston Properties transmitted a check in the amount of \$78,289.20 to the Authority for its expenditures related to Six, Seven, and Eight Cambridge Center.

### **Election of Officers**

At its November meeting, the Authority elected the following as Board officers for 2002: Jacqueline Sullivan to serve as Chair; Alan Bell to serve as Vice Chair; and Mark Rogers to serve as Treasurer.