

MEMORANDUM

To: CRA Board
From: Tom Evans, Executive Director
Date: September 21, 2022
Re: 85 Bolton Street Land Lease

BACKGROUND INFORMATION

When the MXD zoning petition for the Kendall Square Urban Redevelopment Plan was under consideration by the City Council, the CRA signed a letter of commitment to produce at least 20,000 square feet of affordable housing in Cambridge to make up the affordable condominiums that would not be built in Kendall Square. In late 2021, the CRA issued a Request for Proposals (RFP) seeking land or development opportunities to meet its affordable home ownership commitment. Triad Alpha Partners responded to the RFP proposing multi-family housing at 85 Bolton St. After consulting with the CRA Board, staff responded to the RFP proposal with an interest in providing space for a townhouse development on the vacant site.

Triad Alpha Partners currently owns a commercial building on Bolton Street and has proposed an addition of approximately 73,000 SF of new laboratory commercial development. Triad Alpha Partners has determined that to facilitate this development, a portion of its land that is zoned C-2 may only be developed as residential GFA and open space. Triad Alpha Partners provided the CRA with a conceptual design for approximately 8,500 square feet of townhouse development, net of related garage parking. The project will utilize GFA from the parcels south of Bolton Street to satisfy zoning the commercial development.

Currently both parties are working cooperatively on the conceptual design and improving connectivity plans through the neighboring open space. The next step would be for Triad Alpha Partners and the CRA to begin preparing for the Special Permit process for the mixed use development, including community meetings to review the proposal.

PROPOSED TERMS

As portion of the GFA assigned to the site of the proposed residential project would be utilized by the commercial component of the mixed-use project, Trial Alpha Partners requires a land lease transaction for the housing development. Long term ground leases are a frequent tool for urban development projects, and while a lease might depress the value of market rate residential homes, this arrangement works well for restricted affordable homeownership units.

It is proposed that the CRA would pay Triad Alpha Partners \$140 per square foot of residential GFA or \$240,000 per unit, totaling \$1,200,000 for the approximately 8,500 SF of

development of five townhouses. The land lease of this site is well below the current market rate for developable land within the City of Cambridge. Upon receipt of a special permit and the execution of a land lease, the CRA will pay Triad Alpha Partners an initial land payment of \$600,000. Upon its receipt of a building permit for the townhouse development (but no later than (12) twelve months after receiving the Special Permit), for which the CRA is solely responsible for obtaining, the CRA will provide a second payment of \$600,000.

To ensure that these units remain affordable, the CRA will commit that all the townhouse units be covered by covenant restricting the future sale price to households at the same AMI level (80/100/120) as applicable at the time sale under which the original home sales were restricted.

PROPOSED MOTION

Draft Motion: *Approving the Term Sheet 85 Bolton Street Affordable Home Ownership Development and authorizing the Executive Director to undertake implementation activities toward the implementation an affordable homeownership project including participating in special permit activities and engaging in negotiations toward a ground lease transaction with Triad Alpha Partners.*

EXHIBITS

Exhibit A: Draft Term Sheet for 85 Bolton Street

Exhibit B: Proposed Site Plan for Townhouse Development

**Term Sheet for 95 Bolton Street Affordable Home Ownership Development:
Between Triad Alpha Partners
and Cambridge Redevelopment Authority (“CRA”)**

Background

- Triad Alpha Partners has proposed a mixed-use development for its property holdings along Bolton Street that includes approximately 73,000 SF of new laboratory commercial development.
- Triad Alpha Partners has determined that a portion of its land zoned C-2 may only be developed as residential GFA and open space related to the mixed-use development.
- The CRA has made a commitment to the City of Cambridge to develop 20,000 SF of affordable and middle-income home ownership housing as a commitment related to recent changes to the MXD Zoning district in Kendall Square.
- The CRA issued an RFP seeking land and development opportunities to meet its affordable home ownership commitment.
- Triad Alpha Partners responded to the RFP proposing multi-family housing at 95 Bolton St.
- The CRA responded to the RFP proposal with an interest in pursuing a townhouse development on the 95 Bolton Street site.
- Triad Alpha Partners has provided the CRA with a conceptual design for approximately 8,500 square feet of townhouse development, net of related garage parking.
- Triad Alpha Partners is utilizing GFA from the parcels south of Bolton Street to satisfy zoning the commercial development, except for the proposed residential project, and therefore requires a land lease transaction for the housing development.
- Currently both parties are working cooperatively on the conceptual design and Special Permit process for 95 Bolton Street and the neighboring open space and relate street improvements.

Proposed Business Terms

- Triad Alpha Partners shall advance the design to a schematic design level for the 95 Bolton Street Housing Project and will seek a Special Permit from the City of Cambridge as part of the larger Mixed-Use Project.
- The parties will work together in good faith with the Community Development Department, the Planning Board and the local community to resolve design concerns.
- Triad Alpha Partners will present the 95 Bolton Street Housing to the CRA Board for design review and the mixed-use project for contextual information only.
- The CRA shall negotiate with Triad Alpha Partners a 99-year ground lease for residential development at 95 Bolton Street, limited to sales at affordable, moderate, and middle-income households as defined as 80%, 100%, and 120% of Area Median Income (AMI)
- The CRA shall pay Triad Alpha Partners \$140 per square foot of residential GFA or \$240,000 per unit totaling \$1,200,000 for the approximately 8,500 SF of development of five townhouses as proposed.

- Upon receipt of a special permit and the execution of a land lease, the CRA will pay Triad Alpha Partners an initial land payment of \$600,000. Upon its receipt of a building permit for the townhouse development (but no later than (12) twelve months after receiving the Special Permit), for which the CRA is solely responsible for obtaining, the CRA will provide a second payment of \$600,000.
- The CRA shall place over all townhouse units a covenant restricting the future sale price to households at the same AMI level (80/100/120) as applicable at the time sale under which the original home sales were restricted.
- The CRA shall assist Triad Alpha Partners with applying to the Cambridge Planning & Zoning Department to redevelop the property into a Mixed-Use Development. If Triad Alpha Partners does not obtain the Special Permits by June 30, 2023, Triad Alpha Partners shall have a right at his sole discretion to terminate this transaction and this offer shall become null and void, and there shall be no further obligations between the parties. Triad Alpha Partners shall have a right to extend the Permitting Period by 180 days upon written notice to the CRA.

Exhibit: 95 Bolton Townhouse Conceptual Drawings

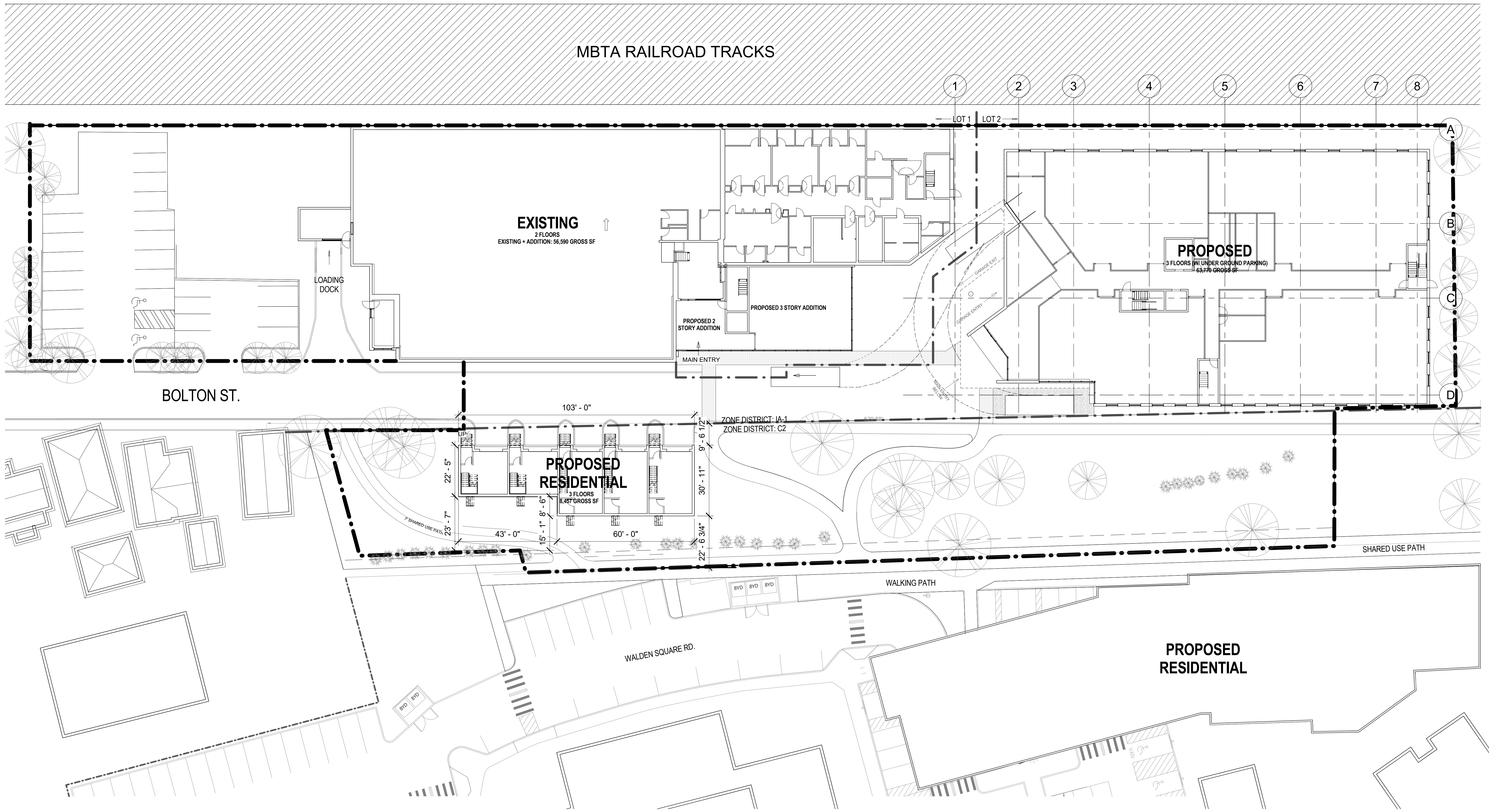
Signed:

_____ Date: _____

Tom Evans
Executive Director
Cambridge Redevelopment Authority

_____ Date: _____

Triad Alpha Partners



BUILDING HEIGHT: 35' - 7"
 BUILDING LENGTH: 30' - 11"
 BUILDING WIDTH: 103' - 0"

GROSS BUILDING AREA SF: 11,156
 GROSS RESIDENTIAL: 5 UNITS SF: 8,457
 TOWNHOUSES 1 & 2: 3BED, 2 BATH
 TOWNHOUSES 3 - 5: 4 BED, 2.5 BATH

① Level G
 1" = 20'-0"

Drawing Number: **A101**

SITE PLAN

AREA BY LEVEL		
Area	Level	Name
464 SF	Level P	PARKING 1
461 SF	Level P	PARKING 2
589 SF	Level P	PARKING 3
584 SF	Level P	PARKING 4
602 SF	Level P	PARKING 5
2699 SF		

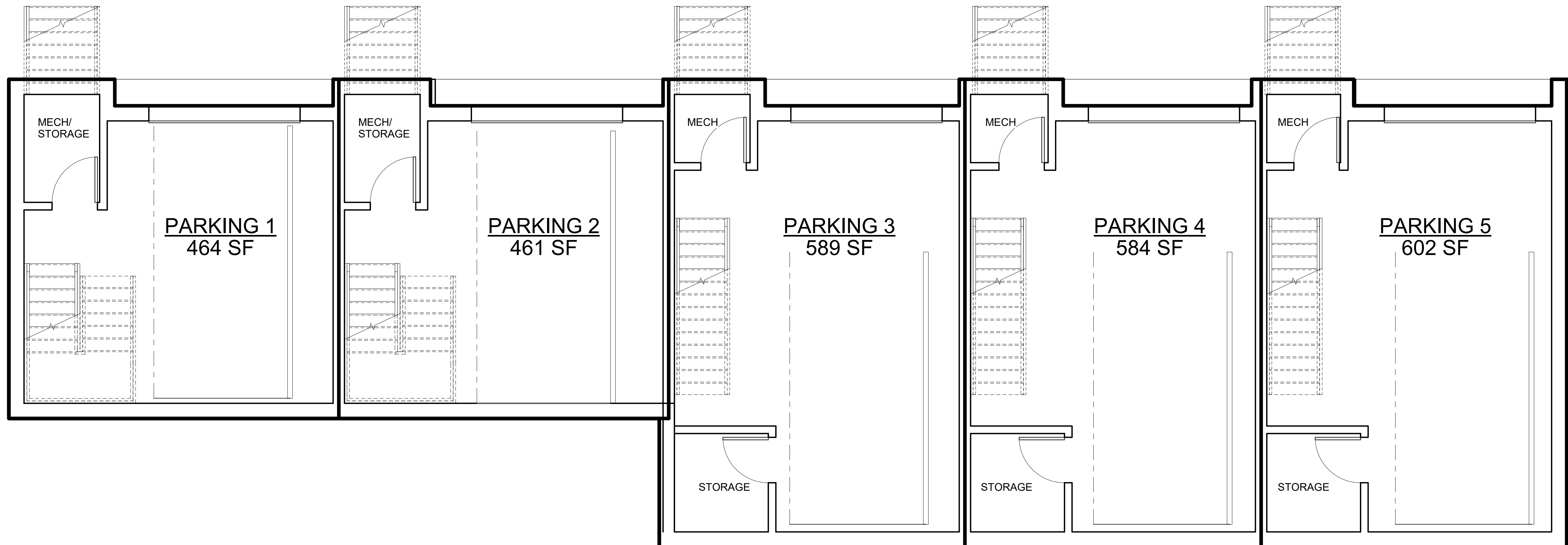
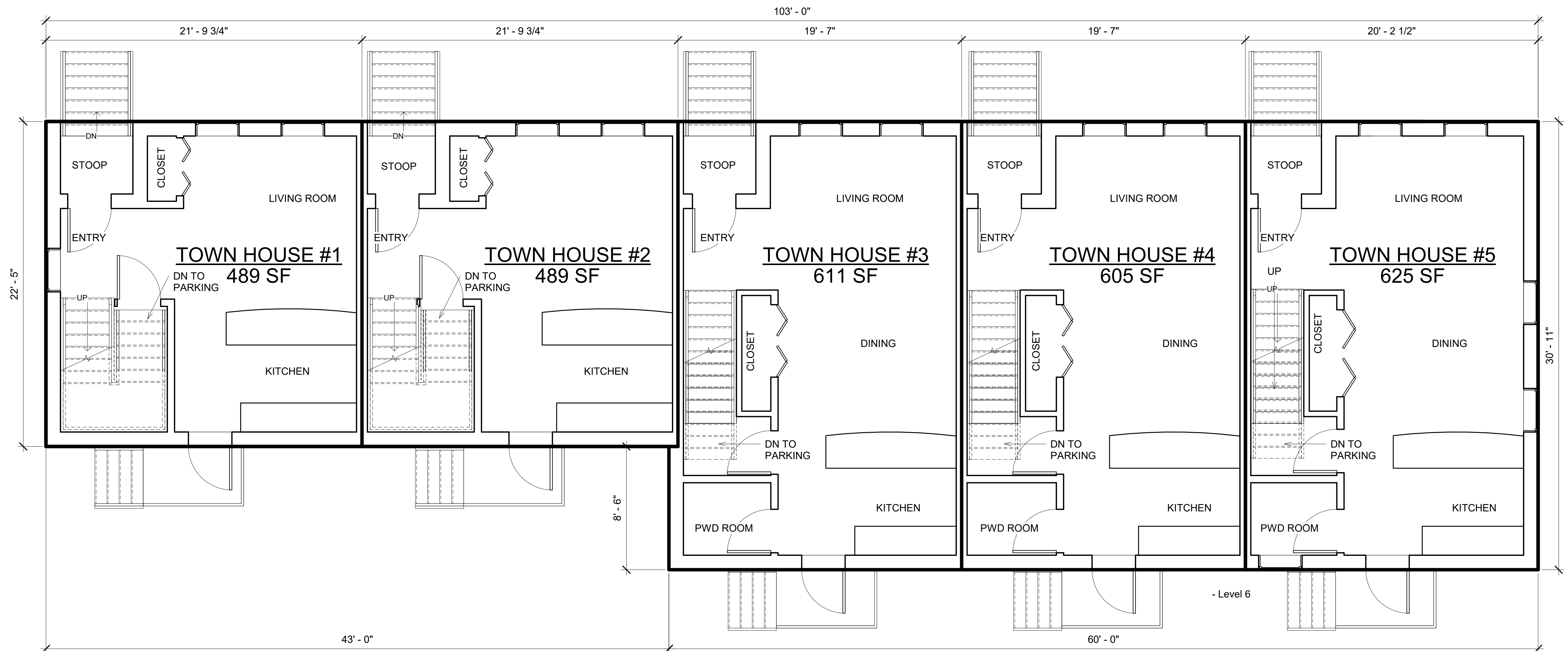
489 SF	Level 1	TOWN HOUSE #1
489 SF	Level 1	TOWN HOUSE #2
611 SF	Level 1	TOWN HOUSE #3
605 SF	Level 1	TOWN HOUSE #4
625 SF	Level 1	TOWN HOUSE #5
2819 SF		

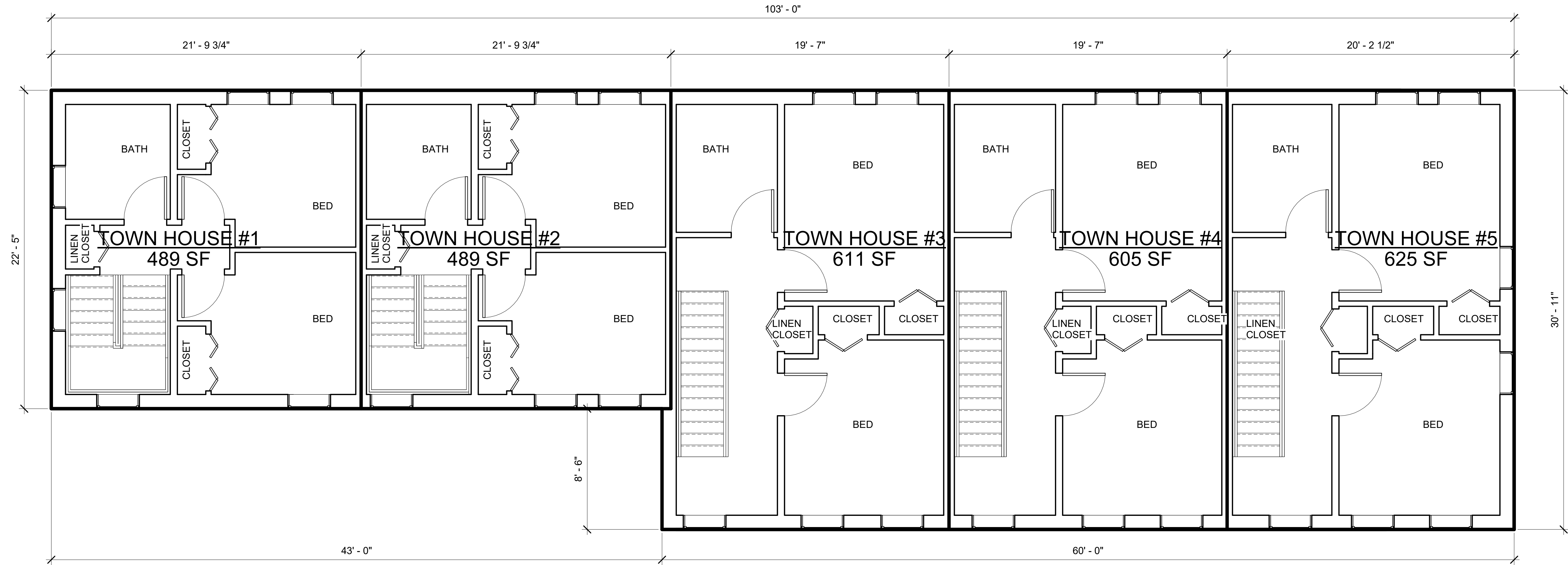
489 SF	Level 2	TOWN HOUSE #1
494 SF	Level 2	TOWN HOUSE #2
605 SF	Level 2	TOWN HOUSE #3
605 SF	Level 2	TOWN HOUSE #4
625 SF	Level 2	TOWN HOUSE #5
2819 SF		

489 SF	Level 3	TOWN HOUSE #1
489 SF	Level 3	TOWN HOUSE #2
611 SF	Level 3	TOWN HOUSE #3
605 SF	Level 3	TOWN HOUSE #4
625 SF	Level 3	TOWN HOUSE #5
2819 SF		
11156 SF		

TOWN HOUSE SF (MINUS PARKING)		
Area	Level	Name

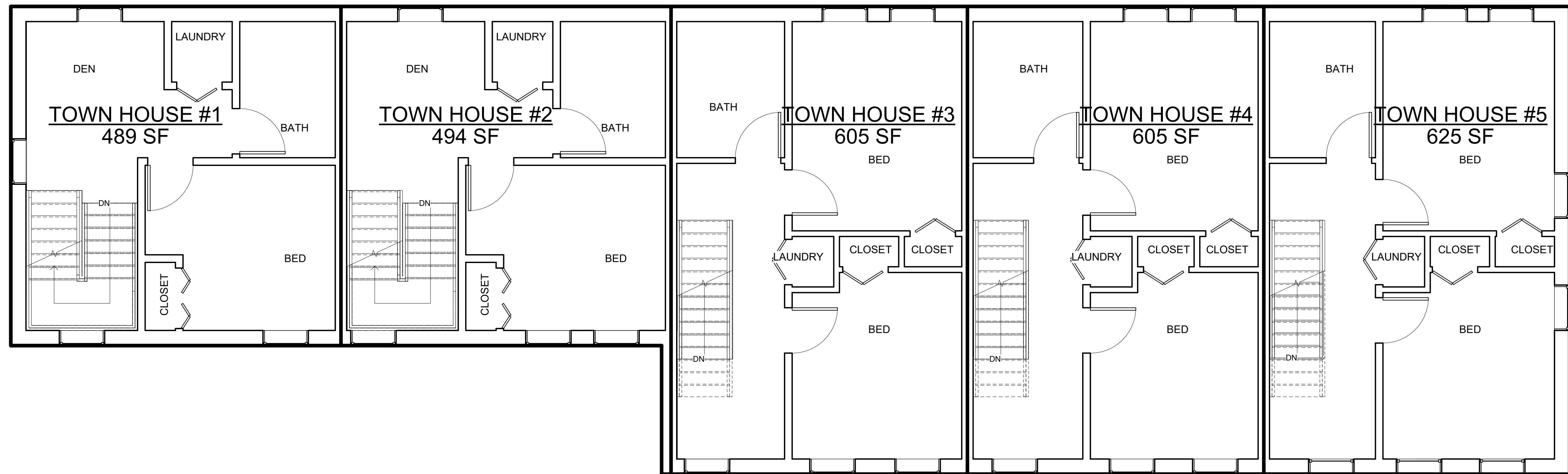
1467 SF		TOWN HOUSE #1
1472 SF		TOWN HOUSE #2
1827 SF		TOWN HOUSE #3
1816 SF		TOWN HOUSE #4
1874 SF		TOWN HOUSE #5
8457 SF		





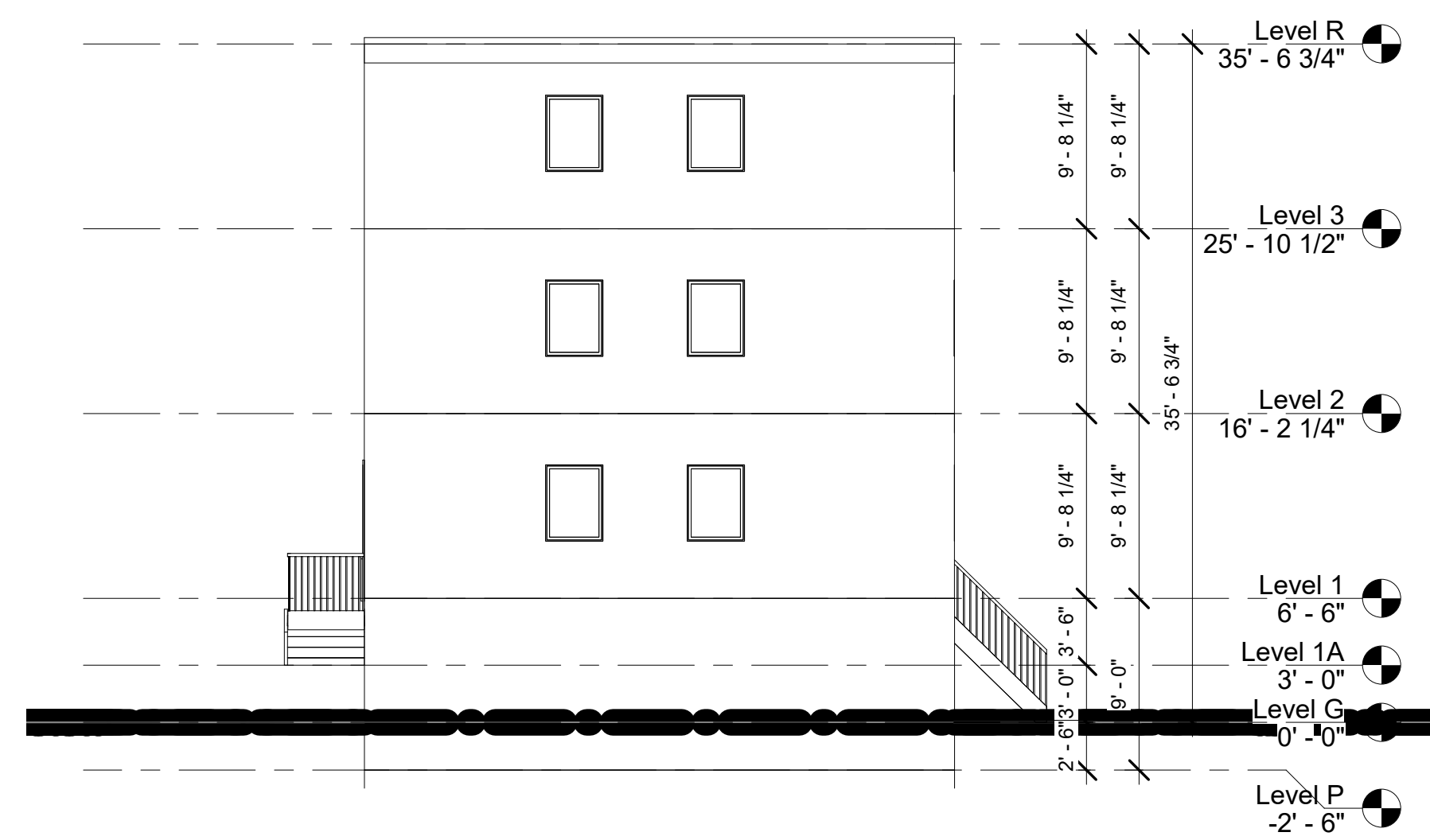
LEVEL 3

② Level 3
1/4" = 1'-0"

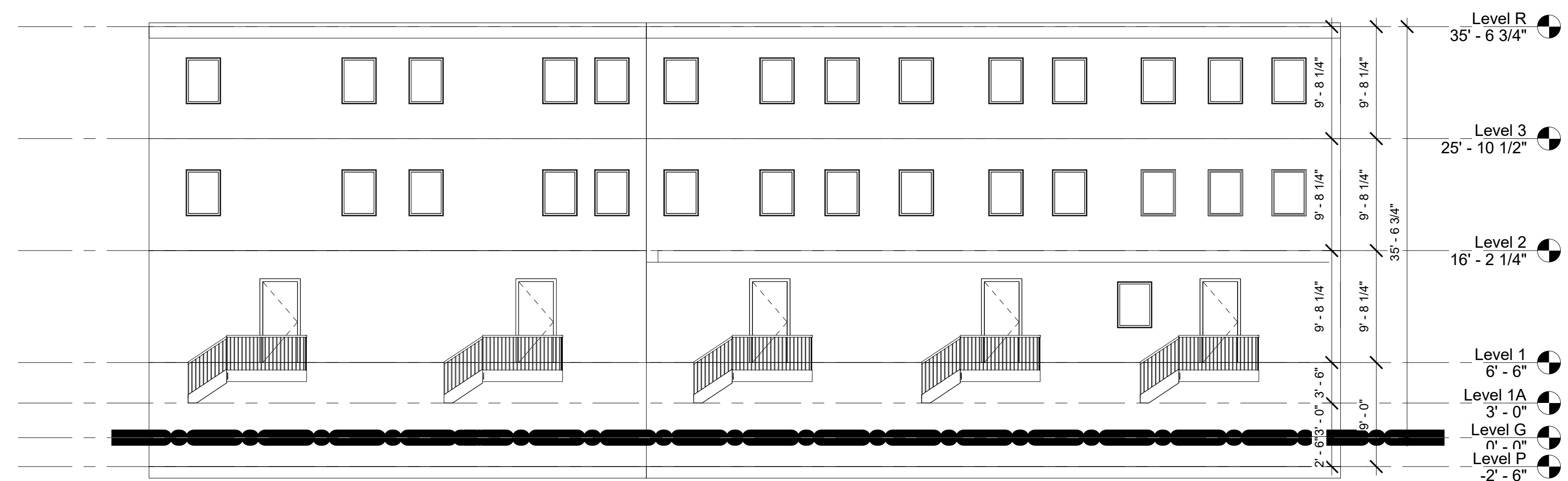


LEVEL 2

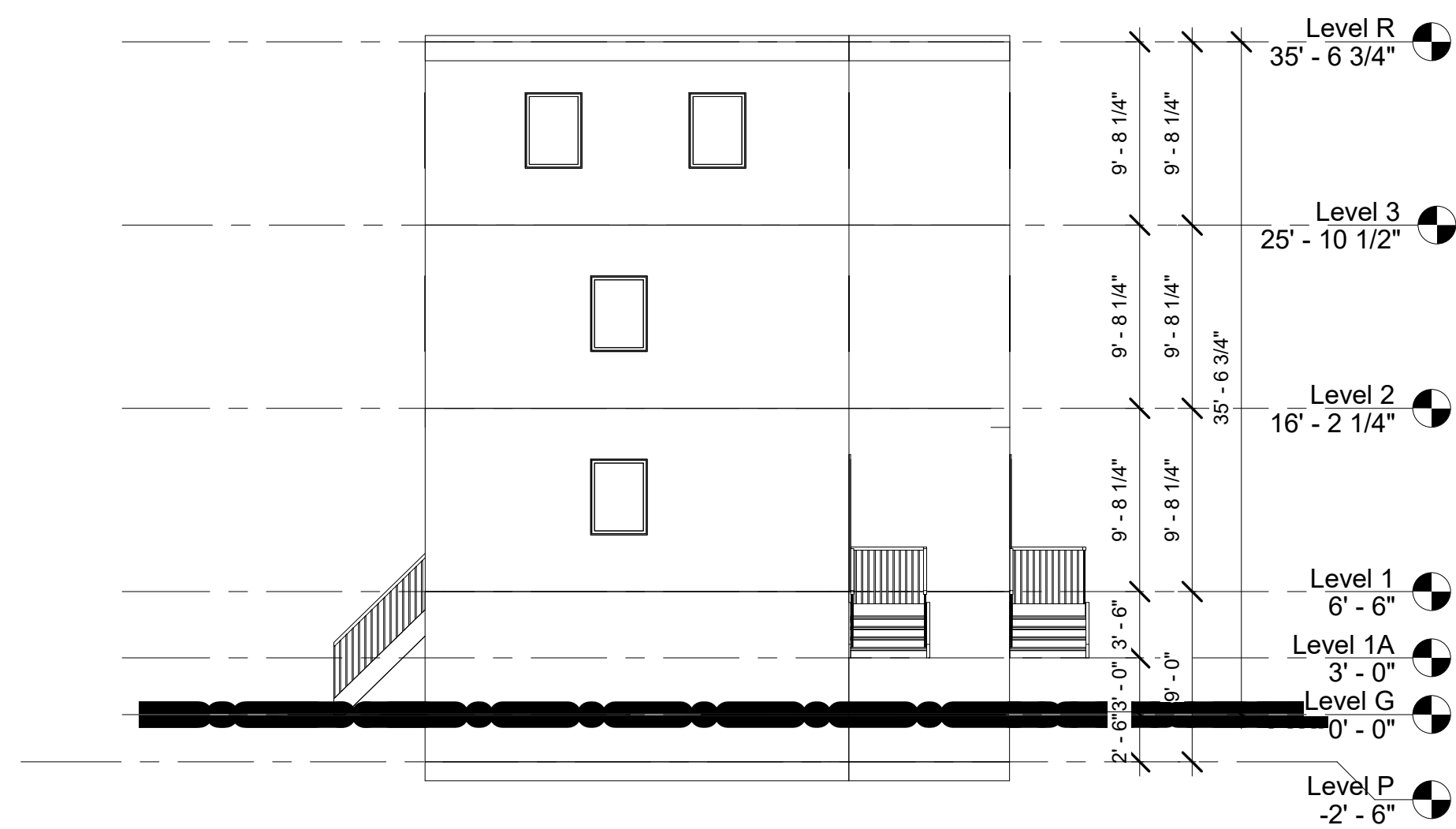
① Level 2
1/4" = 1'-0"



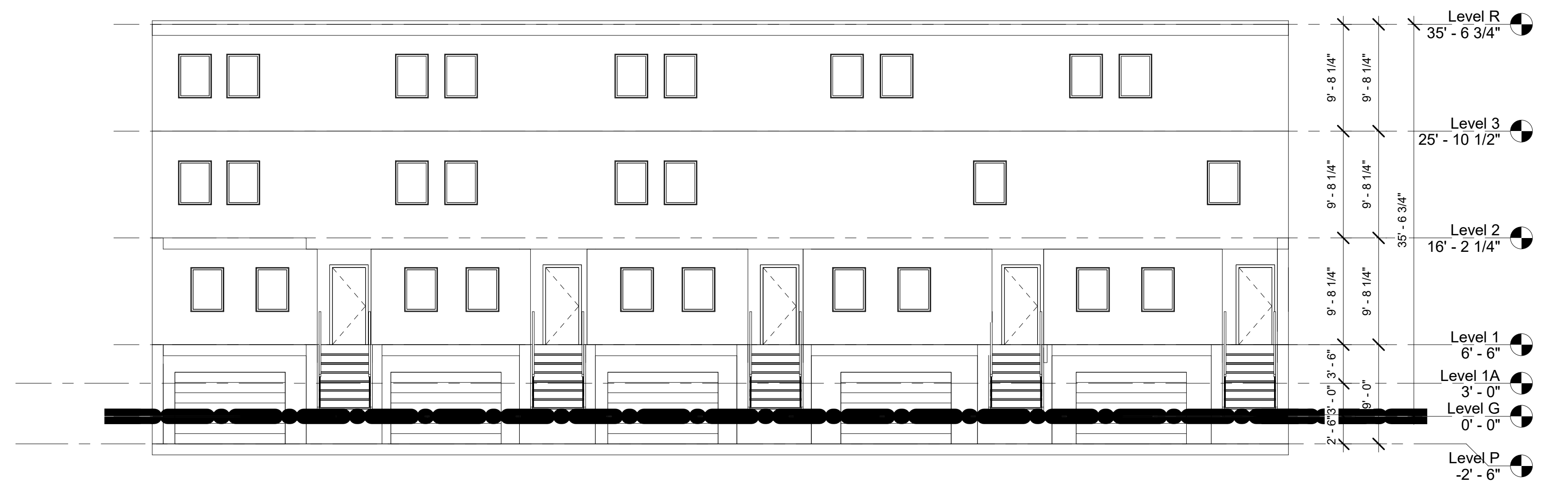
④ East-RESIDENTIAL
1/8" = 1'-0"



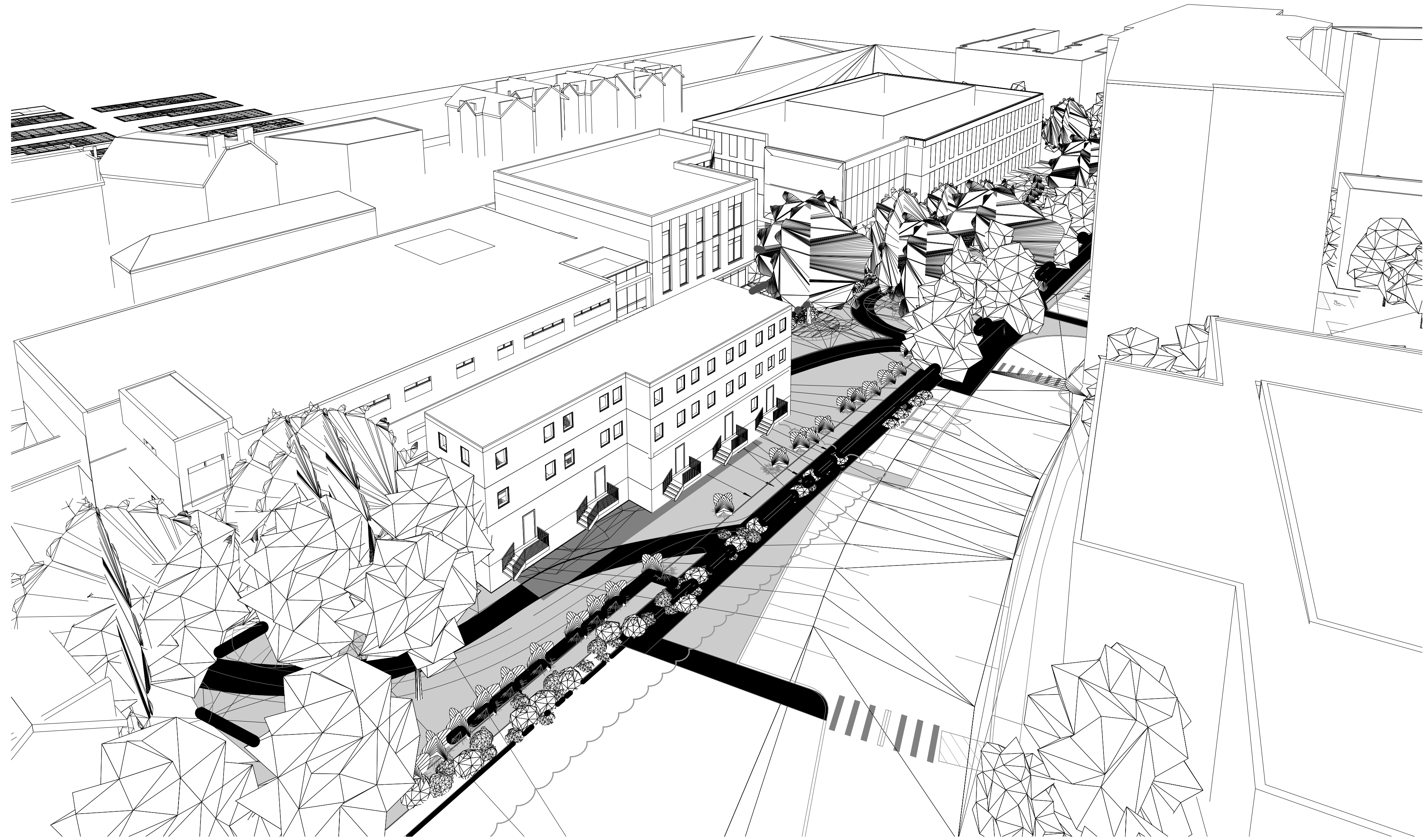
① SOUTH - RESIDENTIAL
1/8" = 1'-0"



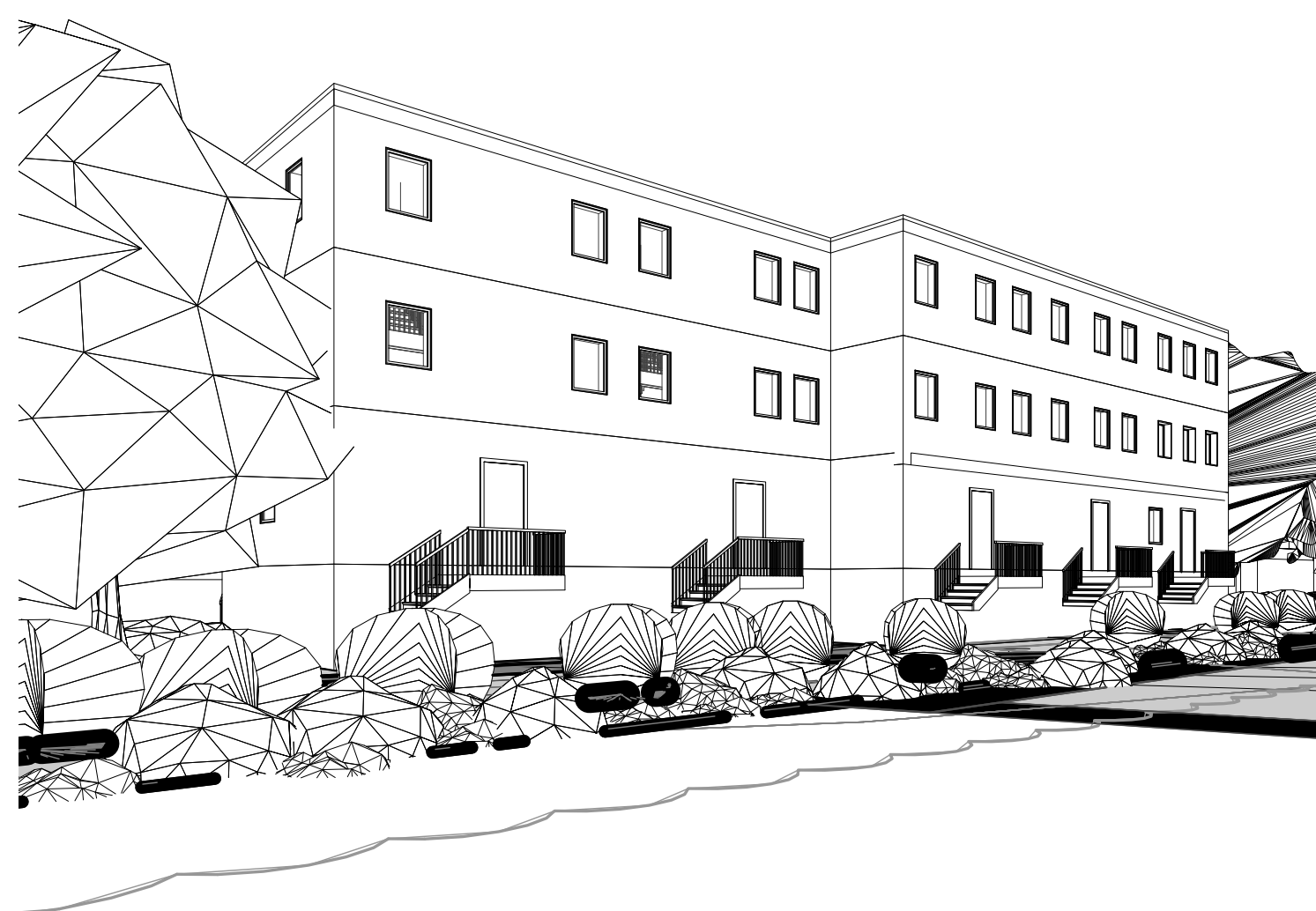
③ West-RESIDENTIAL
1/8" = 1'-0"



② NORTH - RESIDENTIAL
1/8" = 1'-0"



① ROOF TOP VIEW



② VIEW FROM SOUTH WEST



③ VIEW FROM EAST



④ VIEW FROM NORTH WEST