

16

This Major Amendment will be heard at a
Planning Board public hearing, 7³⁰ pm, Tues October 1

All housing advocates should attend and speak
University Park against the granting of this change to the
Some thoughts on Changes in the University Park Housing Development Program developer.
At 100 Landsdowne Street PB #152 major amendment

The Petition to the Planning Board to delete the permit for the construction of 226
apartment units at 100 Landsdowne street in the University Park project will be heard on
September 3, 2002.

Having been involved in the development of the University Park project from the outset
(1969) and having been party to the shaping of its goals and implementation I would like
to share with you some thoughts on this proposal.

The full impact of this proposal may not be easily discerned from the petitioner's
submittal and for reasons of contractual constraints it may not be possible to obtain
information that represents the true feelings of some of the other key players in this
project.

Let me begin at the beginning. On July 10, 1969 MIT President Howard Johnson issued a
statement about MIT's acquisition of the Simplex Wire and Cable Company, the site of
University Park. He also stipulated MIT's intention for this site. He said, "M.I.T. is
acquiring the simplex property as a resource for making further contributions to the
construction of urgently needed new housing in Cambridge and not for the expansion of
MIT's academic campus. It is MIT's intention also to bring about new commercial
development on the site that will add significantly to tax revenues and employment
opportunities in Cambridge. All expected uses of the site will be taxable. We believe that
proper development of this site presents an unusual opportunity to increase the housing
supply in Cambridge beyond programs already planned. Part of the site will be devoted to
new, taxable commercially - financed housing for MIT faculty and other institute
personnel with the expectation that this should help reduce pressure on existing housing
in Cambridge."

The special zoning district negotiated and approved by the Planning Board and City
council in the 1980's became the basis for the development of University Park under the
direction of Forest City enterprises. It included the completion of low and moderate
income housing on Brookline Street and the conversion of the Kennedy Biscuit Building
to housing purposes. Other developers, not Forest city, undertook both of these projects.

The land lease between MIT and Forest City runs for 75 years but the development
agreement has less than 2 years to run (2003-04). After this, Forest City will have either
started or completed all the development projects allowed by Cambridge or it will forfeit
future development rights to MIT. The current efforts to get the development of all the
parcels underway before the termination of the development contract is understandable
but it also raises the question of short term versus long term gains for the City.

For many years, during my regular meetings with Forest City MIT's Planning Office
urged that they undertake additional housing development. Housing that would help to

16

mitigate the parking impact of commercial buildings. It would provide new housing inventory for the city in order to met some of the new demand for housing generated by new employees that were coming into Cambridge to work at University Park. It would help MIT fulfill its goals for tax paying faculty and staff housing that was enunciated in MIT's initial statement of goals for Simplex.

For many years Forest City resisted doing any more housing than it was committed to in the zoning agreement with the city. Due to the nature of the contract between MIT and Forest City, MIT has limited power to force the development of additional housing. In general, Forest City sought the developments with the highest return. A position they were entitled to so long as they stayed within the limits of the district plan

Several years ago, Three forces joined to help Forest City modify its position. The first was market conditions for rental housing developments improved. The glut of condominium construction that had occurred during rental control were absorbed and interest rate changes made housing a more attractive investment. The rental market was strong. The second was our efforts on behalf of MIT's housing and community goals and consistent with the town gown agreements to have Forest City develop the remaining parcels on Sidney pacific and Landsdowne streets for housing. I urged this, among other reasons, because we hoped to create along the West Side of Pacific Street a major residential development to serve MIT graduate students. And, in so doing make a decent transition from commercial laboratories and office space to the Cambridgeport residential scale. However, It was the third force, which ultimately would convince Forest City that it should undertake the development of rental housing projects on Sidney and Pacific Street. The persuasive powers of the then Chairman of the Planning Board, Paul Dietrich and other members of the Board proved to be most effective in convincing Forest City that they should seriously pursue additional rental housing on those two sites. Adding 300 to 400 additional housing units would to help mitigate the impact of the new bio- tech projects that Forest City was building. And it was believed that it would contribute to the reduction of traffic generated by University Park. Forest City then pursued an amendment to the Planning Overlay Special Permit district to permit housing development. The Planning Board supported these changes and planning and design for these housing units was initiated.

Forest City and MIT discussed the housing projects for a long time and debated the design of these buildings vigorously in the hope that they would provide a friendly transition to the neighborhood. Forest City ultimately went forward with the Sidney Street building, which was to be followed soon after with the Landsdowne Street project. MIT committed itself to moving forward on its housing developments on Albany and Pacific Street to insure that the environment would be congenial for commercial housing. MIT has now met those commitments.

Now, Forest City is seeking to renege on these intentions. The 100 landsdowne Street site is now being proposed to accommodate a general office building. To the best of my knowledge, no major tenant for this building has been secured at this time. But Forest

16

City believes a business use will ultimately be successful. Their case is built primarily on their current evaluation of economic return.

In making its case for relief from the earlier housing proposal for 100 Landsdowne Street, Forest City may propose that the market building at the east end of the University Park common, near Mass Ave. be used for housing. If the Planning Board were to consider this proposal as a trade off, two issues should be kept in mind. First, is the difficulty that the Star Market continues to experience in its present, invisible site on the second level of the hotel. Should the new owners, Shaw Markets, determine that the store can not generate sufficient income to justify its continuing at that site, it could, if it found no nearby congenial site, simply move out of the area. Leaving behind a shopping vacuum of major proportion. If the market building were preempted for other purposes the number of congenial spaces for a market would be severely reduced. Furthermore, there is currently no way to insure that housing would be built on the "market building" site.

Finally, in considering the motivations of the developers the Board should consider that as Forest City nears the end of its development agreement with MIT it will be more focused on getting the most valuable parcels under development and enjoying the profits that would ensue. None of the principals at Forest City should be expected to have the long-term interest of the community uppermost in their mind, that is the function of the Planning Board and its staff.

The rent up of the rental housing Project recently completed by Forest City on Sidney Street is going well. The potential development of the Necco property will only add another 1000- 1500 employees to the neighborhood. The Novartis company expects to bring 1,000 new research scientists over the next few years. MIT's neuroscience project will add a significant number of new research staff to the neighborhood. Without additional housing inventory in this area we can only assume a continuing escalation of housing costs and its attendant impact on the existing community.

I hope this review of the history from my perspective will aid in having the Board as they consider the amendment that Forest City is requesting. I hope they will stand firm and encourage Forest City to go forward with additional 226 unit residential development on Landsdowne Street.

It would be a fitting memorial to Paul's efforts to get Forest City to do the right thing for the community, if the Board made clear its preference for housing.

ORS

3

FOREST CITY
COMMERCIAL GROUP

Boston

2002 JUL 10 PM 12:42
CITY OF CAMBRIDGE

July 8, 2002

Ms. Liza Paden
City of Cambridge
Community Development Department
238 Broadway
Cambridge, MA 02139

RE: August Planning Board Appearance for University Park at MIT

Dear Ms. Paden:

Based on our previous discussions regarding the remaining build-out of University Park, Forest City Enterprises is seeking a single August appearance before the Cambridge Planning Board to address the following matters:

1) **Amendment to Special Permit 152**

Forest City is seeking to delete the 100 Landsdowne St. project from the Phase IV IPOP Special Permit (PB 152) for University Park. After several discussions with City staff, it was agreed that an amendment to the existing special permit was the appropriate course of action to address the legal questions that had arisen regarding the development of 100 Landsdowne St. as a laboratory building. A residential building, as approved within the Phase IV IPOP Special Permit, is not feasible in the current environment.

2) **Final Development Plan**

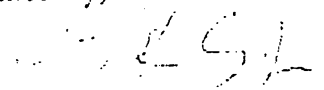
In combination with our seeking the deletion of 100 Landsdowne St. from PB 152, we are also seeking approval for our Final Development Plan as required by Article

15.325 of the Cambridge Zoning Ordinance relating to the Cambridgeport Revitalization Development District. The remaining two development sites are 100 Landsdowne Street and 23 Sidney Street.

Forest City believes that these issues are best understood when taken together in context and therefore, we think it necessary to appear for public hearings for both issues during the same Planning Board meeting. Unless the Planning Board thinks otherwise, we propose a single, combined presentation in order to fully explain the current status of University Park and our proposal to complete the build-out in compliance with Article 15.00 of the Zoning Ordinance.

Forest City will submit all materials relevant to these matters well in advance of the hearing. Thank you in advance for your attention to this matter.

Sincerely,



John T. Kiely, Jr.
Director of Government & Community Affairs

cc: Kathryn Lachelt Brown
Joseph Haley, Goodwin Procter

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2

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Consent Communication #16

A communication was received from Stash Horowitz, regarding changes in the University Park Housing Development Program at 100 Landsdowne Street Planning Board #152 major amendment.

In City Council September 9, 2002

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