

HARVARD UNIVERSITY

OFFICE OF GOVERNMENT, COMMUNITY
AND PUBLIC AFFAIRS

2 GARDEN STREET
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September 18, 1997

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OFFICE OF THE CITY MANAGER

Mr. Robert W. Healy
City Manager
City of Cambridge
Cambridge City Hall
Cambridge, Massachusetts 02139

Dear Mr. Healy,

Thank you for your recent letter concerning the City Council's request for information regarding Harvard's property acquisitions in Allston and Cambridge. I am pleased to offer the following information in response to the Council's request.

The Council order asks for information regarding Harvard's "expansion into Brighton and Cambridge" and specifically asks if Harvard acquired property in Cambridge over the past ten years. I would like to emphasize that Harvard has markedly decreased its property holdings in Cambridge over the last decade. In fact, over this period, Harvard has sold five times the amount of property that has been acquired. Since 1987, Harvard sold over forty properties in Cambridge, which together represent more than 557,000 square feet of land area. In contrast, Harvard has acquired only seven properties representing approximately 108,000 square feet. Each of these purchases was negotiated directly, with the exception of the Quality Inn which was purchased at full asking price using a trust, due to the complexity of the sale which involved separate ownership of the land, the building and the operating lease.

When selling property, Harvard typically works with existing tenants. On occasion, Harvard offers properties below their full market value as was the case when Harvard recently sold 100 formerly rent controlled housing units to the City for only one third of their market value. Harvard is currently in discussion with the Agassiz Neighborhood Council regarding the sale of 20 Sacramento Street for a sum that is significantly below its full value.

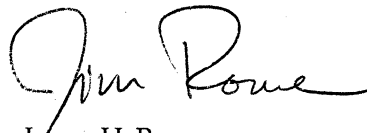
The Allston properties were acquired to allow the University to support its teaching and research mission well into the twenty-first century. Harvard has invested in Allston because it believes that the University can be a strong partner in the community, both promoting greater economic vitality and meeting the University's academic mission. Another critical factor is the growing realization that Harvard's ability to support its mission has become increasingly limited in Cambridge given both regulatory and physical constraints. Harvard did not negotiate directly for the predominantly industrial and commercial properties in Allston in order to avoid facing significant cost premiums above market value. This is a standard and often used real estate practice that has been employed by municipalities and not-for-profit institutions. The University elected to share information regarding the properties to provide context to the master planning process which was underway with the community

regarding other unrelated campus projects. Harvard is not currently involved with any third-party acquisitions in Cambridge.

The Allston properties will allow Harvard to plan more flexibly for needs that may arise well into the future. While Harvard currently has no specific plans for institutional use of the Allston properties, some future space needs that Harvard would have otherwise sought to meet in Cambridge may instead be located in Allston. Our planning activities in Cambridge will continue to focus on opportunities to support teaching and research by creating and renovating facilities close to the traditional academic core. Harvard intends to continue its practice of working cooperatively with community groups in both Cambridge and Boston in shaping future plans.

I hope that this information proves helpful to you and the City Council. I would be pleased to answer any additional questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Rowe". The signature is fluid and cursive, with the first name "Jim" and last name "Rowe" clearly distinguishable.

James H. Rowe
Vice President,
Government, Community and Public Affairs

Property Acquisitions & Dispositions - Cambridge 1987 - 1997

Acquisitions

<u>Building/Property Address</u>	<u>Land Area</u>
1607-1615 Mass Ave	8430
1651 Mass Ave (Quality Inn)	42820 (Note 1)
21 Robinson Street	3468 (Note 2)
34 Mt. Auburn Street (Rectory)	12197 (Note 3)
975 Memorial Drive, Unit 608	0 Note 4)
4-12 DeWolfe St.	31794
49 Linnaean Street	9473 (Note 4)
Total land area acquired	108,182

Note 1: A community room with kitchen is leased to the Agassiz Neighborhood Council for one dollar per year.

Note 2: Repurchased from a faculty member pursuant to contract.

Note 3: Subsequently leased to the Cambridge Housing Authority for assisted housing.

Note 4: Currently being offered for sale.

Dispositions

(Does not include properties that were given as gifts and subsequently sold)

<u>Building/Property Address</u>	<u>Land Area</u>
1 Walker Court	2450
10 Howland Street	4900
107-109 Museum Street	4373
11 Athens Street	4797
11 Kirkland Place	16061
11-13 Flagg Street	4000
13-15 Athens Road	4797
132-134 Banks St.	1800
15-19 Sacramento	8393
16 Farrar Street	8027
18-20 Ware Street	18000
200 - 202 Banks Street	3625
204 Banks Street	2720
21-23 Putnam Street	4880
21-23 Sacramento Place	4493
22-24 Flagg Street	3600
23 Wendell Street	2928
23-25 Athens Street	6000
25 Wendell Street	3570
27 Wendell Street	3462
26-28 Flagg Street	1800
27-29 Athens Street	6750
28 Gorham Street	5053

(continued)

28-30 Banks Street	5640
30-33 Putnam Avenue	2600
32-34 Garfield Street	6600
36 Garfield Street	6600
37 Putnam Ave	4552
50-52 Trowbridge Street	9000
54 Garfield	7150
58 Garfield Street	6600
60 Francis Street	7786
64 Francis Street	9870
64 Oxford Street	5685
84 Wendell Street	6543
89 Museum Street	3313
9 -19 Sacramento Pl.	8393
98 Winthrop	2979
10-12-14 Gerry Street	5637
60-68 Hammond Street	2427
22 1/2 Mt. Auburn Street	4218
19-21 Flagg Street	4000
20 Flagg Street	3600
9-13 Surrey Street	5432
60 Mooney Street	308,825
<u>26 Sacramento street</u>	<u>3466</u>

Total land area sold	557,395
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CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

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17.

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

September 22, 1997

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 8, regarding a report on whether Harvard has made any purchases at all in the City, received from James H. Rowe, Vice President of Government, Community and Public Affairs for Harvard University.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
attachment

Consent Agenda #17

S-584

Relative to Awaiting Report Item Number
Eight, regarding a report on whether
Harvard has made any purchases at all
in the City.

In City Council September 22, 1997

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