



City of Cambridge

Executive Department

LOUIS A. DePASQUALE
City Manager

LISA C. PETERSON
Deputy City Manager

June 12, 2017

To the Honorable, the City Council:

I am requesting authorization to transfer a leasehold interest in the property at 1-15 Vail Court, Cambridge, also known as 139 Bishop Allen Drive, (“the Property”) to the Cambridge Affordable Housing Trust so that the Trust may move forward with the redevelopment of the Property as affordable housing for low- and moderate-income households. I am also requesting that the City Council appropriate \$750,000 for the demolition of the two structures on the Property.

As you know, in September 2016 the City Council approved the taking of the Property by eminent domain after many years and much frustration in the community about blighted condition of buildings there. Since that time the City has taken ownership of the Property, and has secured and inspected the two structures there. A Board of Survey has determined that the buildings are physically unsound and must be demolished. Building inspections have also shown that the buildings contain hazardous materials.

The City has developed a plan for abatement of hazardous materials and demolition of the existing structures. Bids have been obtained for this project and costs are estimated to be \$750,000. I am requesting that the City Council appropriation \$750,000 for this effort so that the buildings can be demolished in the coming months.

While planning for the demolition of the buildings, the City has also considered how best to advance the redevelopment of the property acknowledging the interest in using the property for affordable housing expressed by the City Council when approving the eminent domain order.

The City, through the City Manager’s Office, held a public meeting on March 23, 2017 to update the community on the status of the buildings, and to solicit additional input on the future use of the Property. The meeting was attended by more than 50 residents, including abutters, other residents, as well as representatives from affordable housing organizations. There was strong support at the meeting for redeveloping the property as affordable housing. There were also several comments from abutters advocating for the inclusion of green space, as well as comments that the height, size, and layout of any new buildings should be appropriate for the neighborhood. Many meeting attendees also expressed gratitude to the City for taking steps to address conditions at the Property after many years of frustration.



In keeping with the high priority the City Council has placed on creating affordable housing and the input we heard from the community, I am recommending that the City Council approve the authorization to transfer a leasehold interest in the property to the Cambridge Affordable Housing Trust for the construction of housing affordable to low- and moderate-income. Leasing the land to the Trust for 99 years will allow for the development of affordable housing while allowing the City to retain ownership of the underlying land.

The transfer of an interest in real estate to the Trust for the construction of low- and moderate-income housing is exempt from the provisions of the Disposition Ordinance, Chapter 2.110 of the Cambridge Municipal Code. Chapter 40, §15A of the General Laws governs the transfer of municipal property from one municipal use to another. Ordinarily, General Laws Chapter 40, § 15A requires a two-thirds vote for such a transfer; however, the statute provides that when the transfer is for the purpose of constructing low- and moderate-income housing, a simple majority vote is required.

I believe that the Affordable Housing Trust is best suited to initiate the redevelopment of the Property as affordable housing in a way that balances community housing needs with the desire for an appropriately scaled development and site layout. The Trust will also ensure that the City's investment in the Property is leveraged with other public and private funding to complete high-quality development that benefits the community.

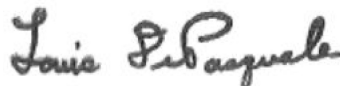
Next Steps

The City has scheduled a community meeting for June 14, 2017 to update the community on the plan for hazardous material abatement and demolition. Abatement and demolition work is expected to occur in the coming months.

City staff will also begin work with the Trust to schedule public meetings to solicit information on city-wide housing needs and identify possible affordable housing uses so that the best affordable housing use of the Property can be determined. City staff and the Trust will also work with the City Manager's office, the Community Development Department, neighbors, and other stakeholders, to develop guidance for the chosen developer around building and site design, to ensure a thoughtfully designed development that will benefit future residents of the housing as well as the surrounding neighborhood. The Trust will incorporate identified affordable housing objective(s) and guidelines for site design to into a Request for Qualifications (RFQ) to select a developer capable of carrying out the project as envisioned.

To continue progress with advancing efforts to redevelop the property, I recommend the City Council appropriate of \$750,000 from Free Cash to the Public Investment Fund Public Works Extraordinary Expenditures Account to facilitate the abatement and demolition of the existing structures on the site, and that the City Council also approve authorization to transfer the a leasehold interest in property to the Cambridge Affordable Housing Trust for the construction of low- and moderate-income housing.

Very truly yours,



Louis A. DePasquale
City Manager

LAD/mec
Attachment(s)



City of Cambridge

Agenda Item Number 1
IN CITY COUNCIL
June 12, 2017

- WHEREAS: The City of Cambridge, per an Order of Taking dated September 26, 2016, acquired the property at 1-15 Vail Court, located at 139 Bishop Allen Drive, after the existing buildings sat vacant for many years; and
- WHEREAS: There exists in Cambridge a severe shortage of housing affordable to low and moderate income residents; and
- WHEREAS: A public meeting regarding Vail Court was held on March 23, 2017. At the meeting there was strong support for the creation of affordable housing on the property, as well as a desire expressed for appropriately scaled buildings; and
- WHEREAS: The City Council has made affordable housing a top priority and desires to increase the supply of affordable housing for low and moderate residents; and
- WHEREAS: Pursuant to Section 15A of Chapter 40 of the General Laws, as amended and accepted by the City Council on November 26, 1990, the City Council may, by a majority vote, transfer municipal land to another board or officer of the City for the purpose of constructing low and moderate income housing; and
- WHEREAS: The City Manager is recommending transfer of a 99-year leasehold interest in the property to the Cambridge Affordable Housing Trust for development of low and moderate income housing; now therefore be it
- ORDERED: That the City Manager is authorized to transfer a 99-year leasehold interest in the property at 1-15 Vail Court, located at 139 Bishop Allen Drive, to the Cambridge Affordable Housing Trust for the development of low and moderate-income housing; and be it further
- ORDERED: That the City Manager is hereby authorized to execute and deliver to the Cambridge Affordable Housing Trust in the name of and on behalf of the City of Cambridge in such form and at such time as the City Manager shall approve (such approval to be evidenced by such execution and delivery) such documents, instruments, agreements, leases, licenses, warranties, indemnifications, releases or certificates, or amendments thereto, necessary for the Cambridge Affordable Housing Trust to develop low and moderate income housing on the property at 1-15 Vail Court, located at 139 Bishop Allen Drive; and be it further

Attachment: Vail Ct CM Dispos Order 061217 (4974 : Vail Court transfer of leasehold interest and appropriation of \$750,000)

ORDERED: That the City Manager is hereby authorized to execute, accept, and deliver such supplemental or ancillary documents as are reasonable necessary to implement the intent of this Order and to execute, accept and deliver amendments thereto.

Attachment: Vail Ct CM Dispos Order 061217 (4974 : Vail Court trasfer of leasehold interest and appropriation of \$750,000)