

### **MEMORANDUM**

March 2, 2021

To: City of Cambridge, Planning Board

City of Cambridge, Community Development Department

From: TP/P Kendall Retail, LLC

c/o Ron Bily, Principal Real Estate Investors

Bily.Ron@principal.com

**Cc:** Kendall Square Corporation

c/o Sal Zinno, BioMed Realty Trust

Sal.Zinno@biomedrealty.com

#### **RE:** PB141 Minor Amendment – "Office of a Dentist" Use Determination

Members of the Cambridge Planning Board and CDD –

TP/P Kendall Retail, LLC with support from the Kendall Square Corporation (c/o BioMed) proposes a Minor Amendment under the PB141 Final Development Plan to convert the former Kika Restaurant space at 5 Broad Canal Way in Watermark Kendall West to "office of a dentist" use (Sec 4.34.a of the Zoning Ordinance) for the purposes of accommodating **tend** (see: <a href="https://www.hellotend.com/">https://www.hellotend.com/</a>), a modern dental practice. This request is heavily predicated on i) a saturation of restaurants in Kendall Square, ii) the state of the current retail environment in Kendall Square (and anticipated future), iii) active use objectives for the ground floor of the Canal District Kendall and iv) related efforts to avoid long-term retail vacancies due to COVID and other market pressures.

#### Background

The Canal District Kendall is designated PUD3 O-3A under the current City of Cambridge Zoning Ordinance. The Development Controls under section 13.42.3 of the Zoning Ordinance allow for any office use in PUD3 including "office of a dentist," as tend would be designated.

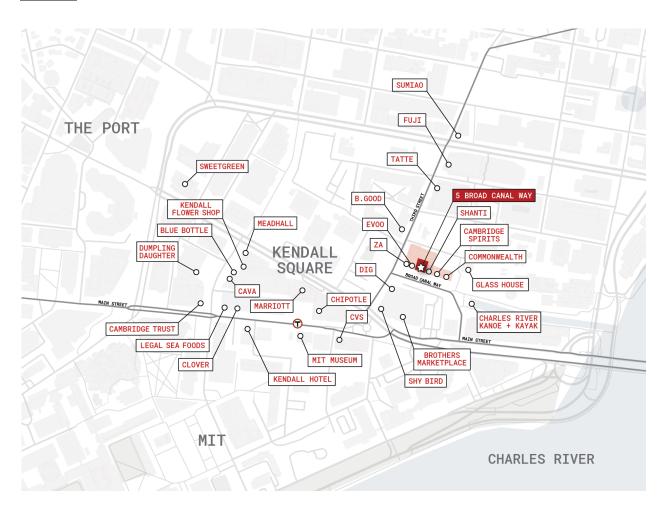
<u>PB141 Amendment #3</u> was the last Minor Amendment approved by the Planning Board on August 19, 2011, which adjusted the permitted GFA for Residential, Office and Hotel with no change to Retail GFA.

Recently, TP/P Kendall Retail, LLC was informed by BioMed's counsel that office GFA under the Final Development Plan had been maxed out by the development of Parcel G or 450 Kendall Street. In order for TP/P Kendall Retail, LLC or any member of the Kendall Square Corporation to convert ground floor uses from retail to amenity-based uses like "office of a dentist," a Minor Amendment to PB141 is required.



	PROPOSED CHANGE IN GFA (SF)	CURRENT TOTAL GFA (SF)	PERCENTAGE OF TOTAL GFA OF PUD
OFFICE/LAB	+3,642	757,970	55%
RESIDENTIAL	No change	467,530	34%
HOTEL	No change	0	0%
RETAIL	-3,642	150,500	11%
TOTAL	No change	1,376,000	100%

#### Location



### <u>Kendall Square – State of Retail</u>

Over the past ten years, a tidal wave of new development in Kendall Square has created an oversupply of scattered ground floor retail space. Many of these retail spaces have been (and continue to be) filled by restaurants of varying concepts and service models. The saturation of restaurants has led to decreased sales volumes across throughout the neighborhood, especially, as Kendall Square remains mostly a commercial district with limited night and weekend business.

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Kendall Square restaurants, specifically, the Watermark restaurants, have struggled to stay viable even pre-pandemic including Kika, which vacated its premises in late 2019. Unpredictable sales volumes and limited resources throughout the pandemic have created an uncertain future for many Kendall Square restaurants even with flexible terms from Landlords. With increased competition on the horizon (i.e. second generation restaurant space) and having explored pop-up or temporary food & beverage solutions for the better part of 2020, Graffito, our retail consultant, has investigated alternative uses for the Kika space. Said uses will complement the existing retail mix, provide a valuable service to the Kendall Square community and thrive well into the future.

Kendall Square has evolved through the years to offer more complete retail mix, including dry cleaners, grocery stores, beer/wine shops, convenience, personal services, etc. that support both office/lab workers and residents alike. The pandemic has accelerated the push to fill vacant ground floor space with non-traditional uses like education, medical office, arts, maker, cultural, event space, etc. This "rebalancing" away from just food and beverage, particularly, in less prominent locations within the square, will generate additional activity that support the broader community goals for the ground floor.

#### The Tenant: tend

**tend** is defined as a dental practice or "office of a dentist," under current zoning ordinances. They provide a valuable service – convenient, approachable and safe oral care – for employees and residents. Categorically, tend is a personal service or wellness use (essential business during COVID-19) and have embraced a public-forward approach, which is demonstrated through a porous and welcoming storefront and high-level of customer service that is further described in their detailed company profile enclosed hereto.

The Kendall Square outpost of **tend** will have the following operational tendencies:

#### **Employees**

20-25 people will be employed at any **tend** location including 5 Broad Canal Way, but the occupancy will be based on the business use group, which indicates 100sf/person or in approximately 34-37 people for this location.

Minimum Hours of Operation Monday-Friday 8AM-6PM Saturday 9AM-2PM Sundays, if business permits

#### Parking

Vehicular: Under the base zoning (Table 6.36.1), the Minor Amendment will result in a decrease in the zoning parking demand. The restaurant use parking demand is 1 space/10 seats. Kika had 120 seats producing a demand of 12 parking stalls. The dentist office use parking demand is 1 space/500 square feet. The dental office use space of 3,642 square feet produces a demand of 8 parking stalls.

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Bicycle: Under the base zoning (Table 6.107.3), the Minor Amendment will result in a decrease in the zoning parking demand. The restaurant use short-term parking demand is 1 space/1,000 square feet. Kika occupied 3,642 square feet producing a demand of 4 bicycle parking spaces. The dentist office use parking demand is .06 space/1,000 square feet. The dental office use space of 3,642 square feet produces a demand of 1 bicycle parking space.

350 Kendall Square Garage will accommodate parking needs for employees and customers.

#### Conclusion

TP/P Kendall Retail, LLC has a signed letter agreement with **tend** to move forward with retenanting the 5 Broad Canal Way restaurant space at Watermark Kendall West. Given the current retail environment and anticipated rebound years away for restaurants, Graffito has recommended that TP/P Kendall Retail, LLC move forward with **tend** following the necessary approval process with other properties within the PUD and the City of Cambridge. It's worth noting that many local restaurants Graffito has consulted support alternative uses in Kendall Square to help bolster business for those that survive the pandemic.

We would greatly appreciate your support in this matter and appreciate your willingness to have the dialog with us.

Sincerely,

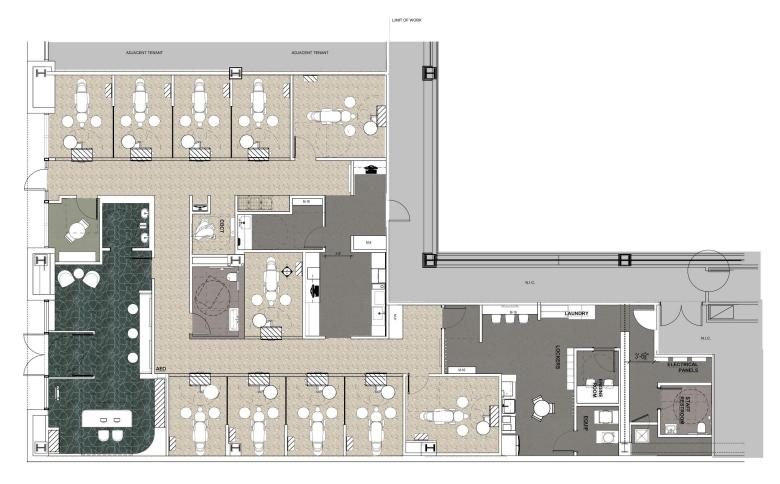
Ron Bily, Investment Director, Asset Management Principal Real Estate Investors

Enclosure: tend Floor Plan

tend Exterior Plan tend Renderings

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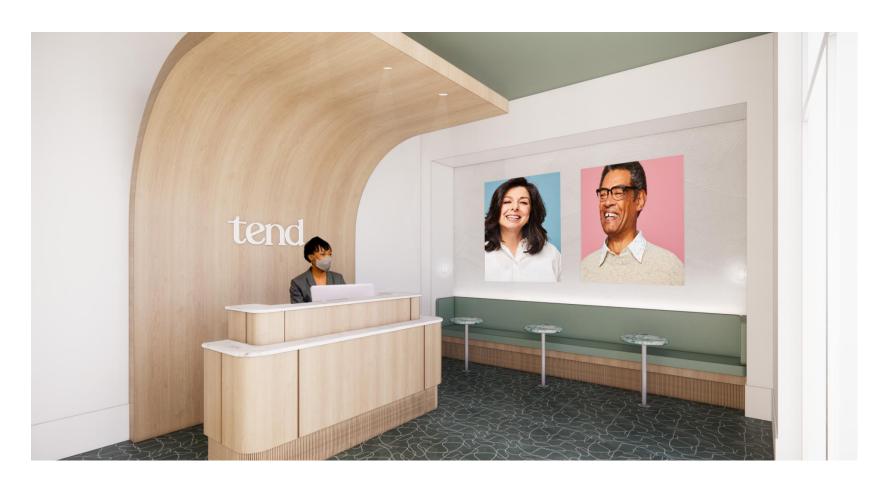


**FLOOR PLAN** 



### **STOREFRONT RENDERING**





**STANDARD WELCOME BAR EXAMPLE** 



**CORRIDOR/SUITES RENDERING** 

# 5 BROAD CANAL WAY / KENDALL SQUARE / TURNKEY RESTAURANT SPACE

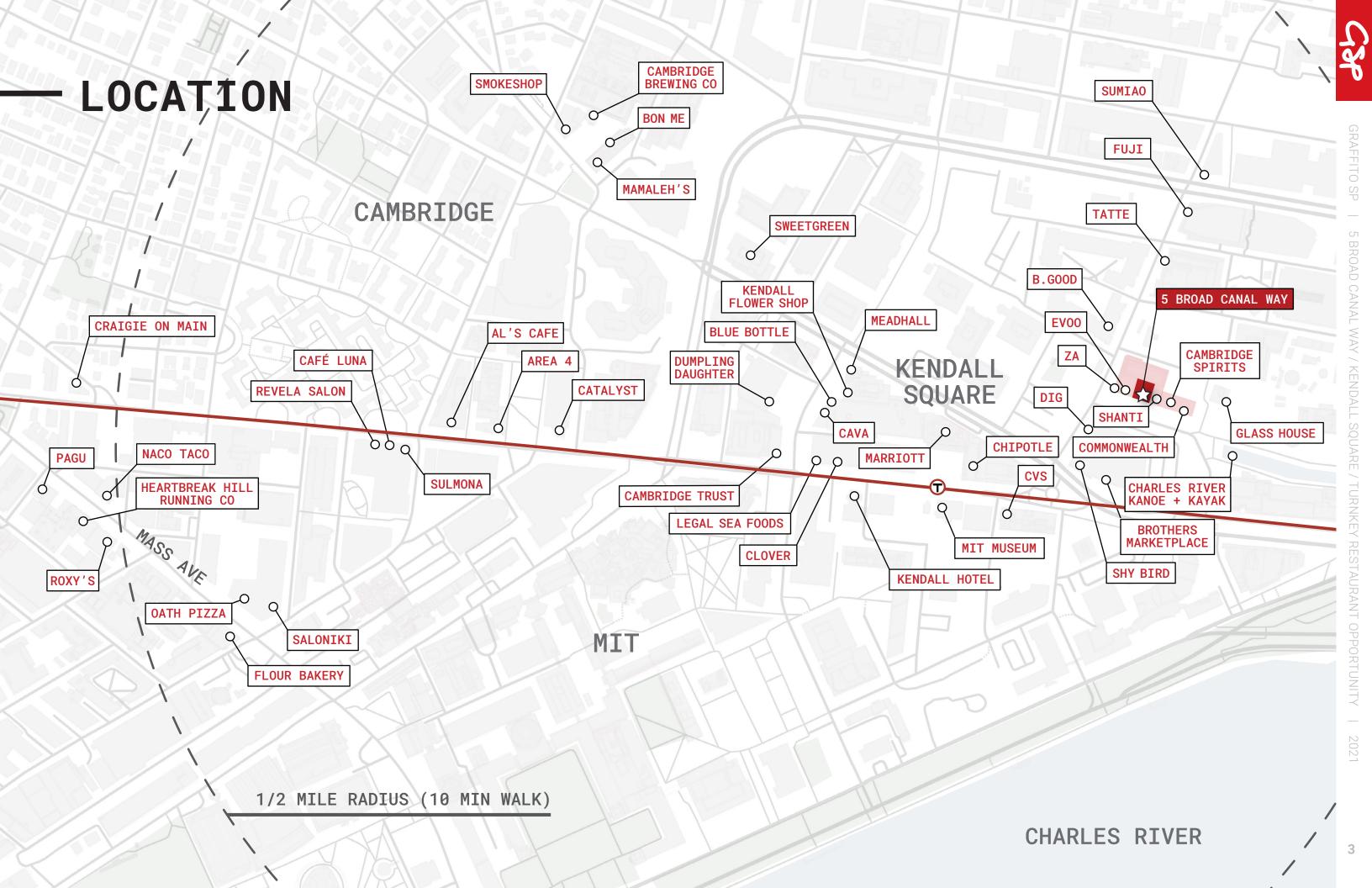


## THE OPPORTUNITY

Turnkey restaurant opportunity located at the foot of the Watermark Kendall, a 465-unit luxury apartment building in the heart of Kendall Square.

This restaurant space was previously the home of Kika Tapas for nearly 8 years. The 3,642 square foot premises offers a beautifully detailed 120+ seat turnkey restaurant and bar with expansive outdoor patio. The concept should be fun and approachable, complement the mix of adjacent tenants, and cater to Watermark residents and the surrounding community.





## THE NEIGHBORHOOD



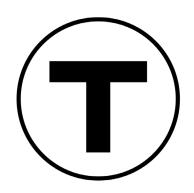
37,500

employees within a half-mile radius



5,000

people living within a half-mile radius



15,440

daily red line ridership at the Kendall T station

## LARGEST EMPLOYERS:





















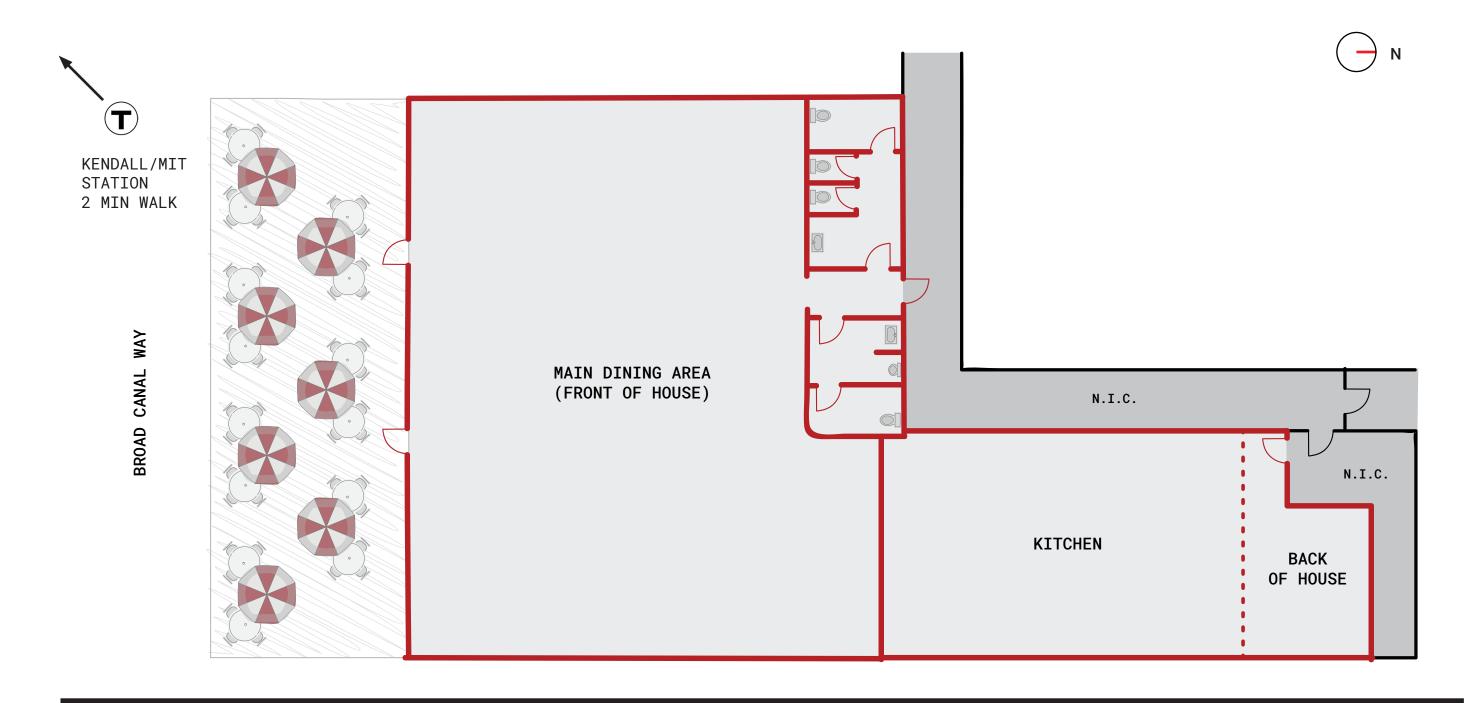








# FLOOR PLAN





Available Now



Turnkey with Equipment



120+ Seats Indoors and 60+ Seats Outdoors



3,642 SF



55' LF of Storefront

# LET'S TALK

Graffito is seeking a unique, local restaurant and bar to serve the surrounding community and round out the retail mix in the building.









Angela VanArsdale angela@graffito.com 978.766.5142

