New England Development 75 Park Plaza Boston, MA 02116

December 21, 2020

VIA E-MAIL

Chair Catherine Preston Connolly and Members of the Cambridge Planning Board 344 Broadway Cambridge, MA 02139

Re: Supplemental Information

CambridgeSide 2.0 Project (PB #364) and PUD-4 Minor Amendment (PB #66)

Dear Chair Connolly:

We received and have had an opportunity to review the CDD Staff Memorandum to the Planning Board, dated December 17, 2020, regarding the CambridgeSide 2.0 special permit (PB #364) and Minor Amendment to the existing PUD-4 special permit (PB #66) (the "<u>CDD Memo</u>"). We appreciate the time and effort that went into the Staff's preparation of the CDD Memo. Based on our review of the same, we wanted to provide some updated supplemental materials to clarify a few items referenced in the CDD Memo with respect to both PB #364 and PB #66. Specifically, please note the following:

CambridgeSide 2.0 Special Permit (PB #364)

- Allocation of Square Footage. Upon reviewing the CDD Memo and our special permit application materials submitted to date, we determined that there was a small amount of allocated square footage (i.e., 5,000 sf) identified as being within the 20 CambridgeSide building that is actually anticipated to be constructed as part of the new buildings on First Street, which will be delivered in the subsequent phase of the Project. Accordingly, we have attached updated Sheets 3-2, 3-3 and 3-8 from our November 2020 Final Development Plan Supplement. For the avoidance of doubt, the attached versions of Sheets 3-2, 3-3 and 3-8 replace the versions of the same included within the November 2020 submission.
- Timing. We note that there is a specific condition within the Timing and Phasing section of the CDD Memo that requires commencement of the subsequent phase within one year of completion of the initial phase and completion of the same within the timeframe identified in the Final Development Plan. While we anticipate that construction of the subsequent phase will commence shortly after one to two years of completion of the initial phase, with construction to be diligently pursued thereafter, this is dependent upon then current market conditions, demand and other considerations that are outside of our control. While we appreciate that the Planning Board would like to ensure timely commencement and completion of the subsequent phase of the Project, given the uncertainty of factors outside of our control, we request that any proposed condition allows for flexibility with respect to commencement and completion of the subsequent phase. We cannot be in a position of having to construct buildings without recognition of current economics and market conditions.

PUD-4 Special Permit Minor Amendment (PB #66)

• Core Mall and Below-Grade Garage. Based on discussions with CDD Staff over the last few weeks and review of the CDD Memo, we determined that the sf associated with the core mall currently governed by PB #66, while not proposed to change, should be governed by PB #364 for ease of administration and clarity over the life of the development. Related to these discussions, the CDD Memo identifies that the Minor Amendment materials were not sufficiently clear with respect to whether the below-grade garage also being governed by PB #364. Accordingly, we have attached an updated version of the PB #66 Minor Amendment Supplemental Narrative, which has been revised to be consistent with the CDD Memo and to clarify that the below-grade garage will be governed by PB #364. For the avoidance of doubt, the attached version of the PB #66 Minor Amendment Supplemental Narrative replaces the version submitted in November 2020.

Thank you for your ongoing consideration of, and attention to, this Project. We look forward to presenting the Final Development Plan to the Planning Board on December 22, 2020.

Very truly yours,

NEW ENGLAND DEVELOPMENT

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Enclosures



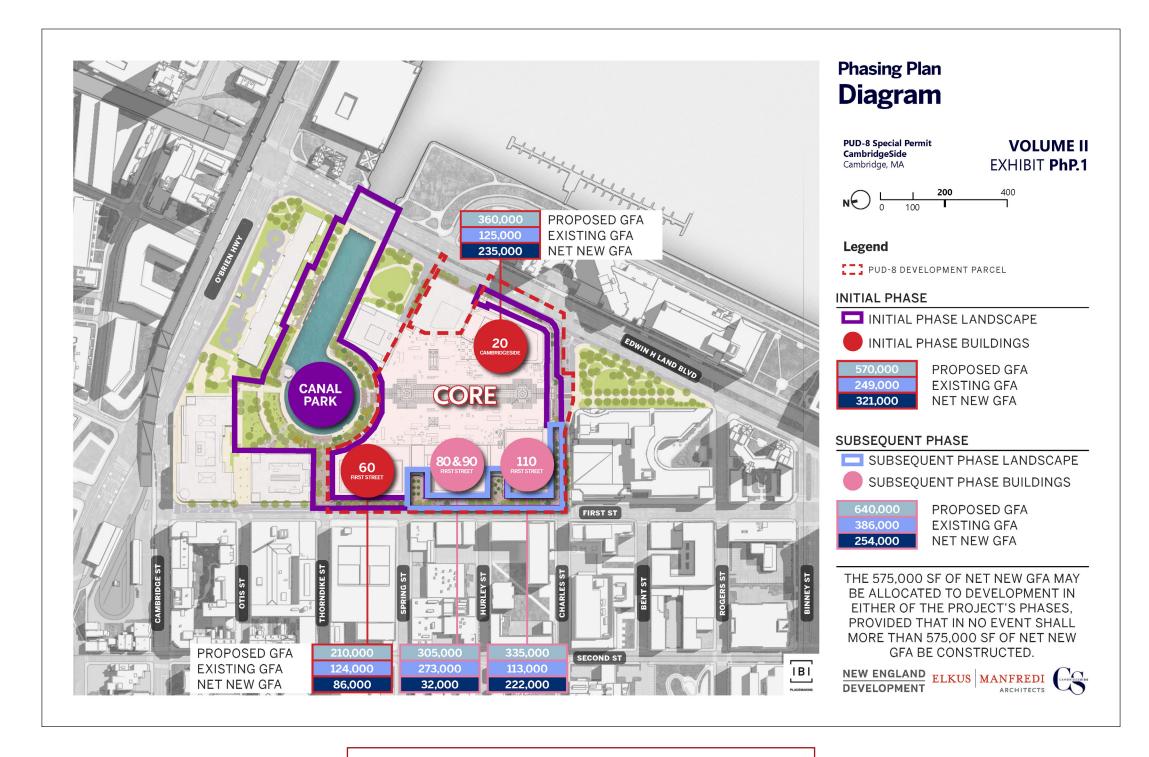
Table 1: Revised Dimensional Form (Continued)

Development Program Phasing	Existing	Phase 1		Future Phases	PUD-8
	Core Mall	60 First	20 CS	First Street Buildings	Development Parcel
Gross Floor Area 14		Proposed	Proposed	Proposed	Total
Office (sq ft) (Zoning Article 4.34 (a-e)) 12	140,000	0	55,000	220,000	415,000
Office and Laboratory (sq ft) (Zoning Article 4.34 (f		175,000	295,000	215,000	685,000
Retail (sq ft)	315,000	35,000	10,000	30,000	390,000
Residential (sq ft)		0	0	175,000	175,000
Total Gross Floor Area (sq ft)	455,000	210,000	360,000	640,000	1,665,000
Off-Street Parking Spaces ⁶	2,490	same	same	(-795)	1,695
•					
Long-Term Bicycle Parking	46	31	61	312	450
Short-Term Bicycle Parking	85	n/a	n/a	n/a	119
	-	•			
Loading Bays	15	6-	12	6-8	12 - 20 ¹⁰

Notes:

- 1. Existing building heights vary between approximately 55 and 68 feet. The existing cupulas are approximately 110 feet.
- 2. Includes Charles Park and Canal Park.
- 3. Existing Publicly Beneficial Open Space includes the Mall atrium and the public easement for CambridgeSide Place. Proposed Publicly Beneficial Open Space includes existing Publicly Beneficial Open Space plus the new Mall connector and new setbacks and new pocket parks on First Street. The Applicant anticipates that a condition of the PUD-8 Special Permit will require that the Mall Connector be accessible to the public at all times that the core mall is open to the public, subject to periodic closures for cleaning and maintenance.
- 4. As shown on the Site Massing Plan attached as Exhibit SMP.1 in Volume II. The 60 First Street and 20 CambridgeSide buildings are proposed to be 85' and 155', respectively. The 80&90 and 110 First Street buildings are currently anticipated to be approximately 135'-145' and 155' respectively.
- 5. As shown on the Building Height Map for the PUD-8 District attached as Schedule 2 in Volume I.
- 6. It is currently anticipated that parking spaces at the Project will be reduced over time from 2,490 spaces to approximately 1,695 spaces at full buildout, which number may increase or decrease depending on final design and construction conditions. In all cases, the Project will provide adequate parking to serve the Project's uses and will not exceed the maximum parking requirements set forth in Section 13.106.4 of the Ordinance.
- 7. Bicycle parking is currently provided across the Development Parcel. The Project proposes the same approach, providing short-term spaces at grade, as well as publicly-accessible spaces in the underground parking garage and proposed long-term bicycle storage areas.
- 8. Existing short-term bicycle parking includes 85 spaces. An additional 15 spaces are provided by the Blue Bikes service, however they are not included as short-term spaces.
- 9. 65% of the required Dwelling Unit Net Floor Area at the Project will be affordable, with 30% devoted to Inclusionary Housing and 35% devoted to Middle Income Units (as defined in Section 13.104.1(d)(3)).
- 10. Loading bays are currently provided across the Development Parcel. The Project proposes the same approach, providing an adequate number of loading bays to serve the interconnected mix of uses on the Development Parcel.
- 11. Pursuant to Section 13.106.6 of the Ordinance, the Applicant requests that the Planning Board grant a waiver from the required amount of loading bays for the Project, allowing for anywhere from 12-20 loading bays to serve the Project with the final number to be determined based on final building design and tenant mix.
- 12. The existing 413,000 square feet for Office includes the approximately 273,000 square feet of the Upper Garage and the 140,000 square feet of the 3rd Floor of the Mall.
- 13. Subject to obtaining Planning Board approval of an alternative Bicycle Parking Plan pursuant to Section 6.108 of the Ordinance. The Project's proposed Bicycle Parking Plan is included within the PB #364 Final Development Plan Supplemental Narrative.
- 14. The proposed of amounts provided, as allocated to particular uses, may be modified based on final design and market conditions provided that in no event shall Net New GFA exceed 575,000 of and that the Project conditions will comply with all related requirements (e.g., vehicular and bicycle parking).
- 15. The 575,000 sf of Net New GFA may be allocated to development in either of the Project's phases, provided that in no event shall more than 575,000 sf of Net New GFA be constructed.





For the avoidance of doubt, this Exhibit PhP.1 replaces Exhibit PhP.1 that was originally submitted by the Applicant in August 2020.



B. Timing

Timing Comment #1

Revised Phasing Plan including a project timeline and general scope of work at each phase (including creation/removal of parking spaces, loading bays, and bicycle parking spaces);

- i. Please see the Timeline supplement to the Project's Phasing Plan included as Schedule 1, which details the anticipated Project timeline. Table 2 (provided on the following pages with Section H. Community Benefits) provides a detailed accounting of the comprehensive package of public benefits proposed in connection with the Project, as well as anticipated timing of delivery and cost of the same.
- ii. Please see the Revised Dimensional Form for the Project attached as Table 1 which includes a more detailed Development Program Phasing chart with key development characteristics for the Project, including the anticipated creation/removal of parking spaces, loading bays, and bicycle parking spaces throughout the Project's phased development.

Timing Comment #2

Timeline for delivery of residential units;

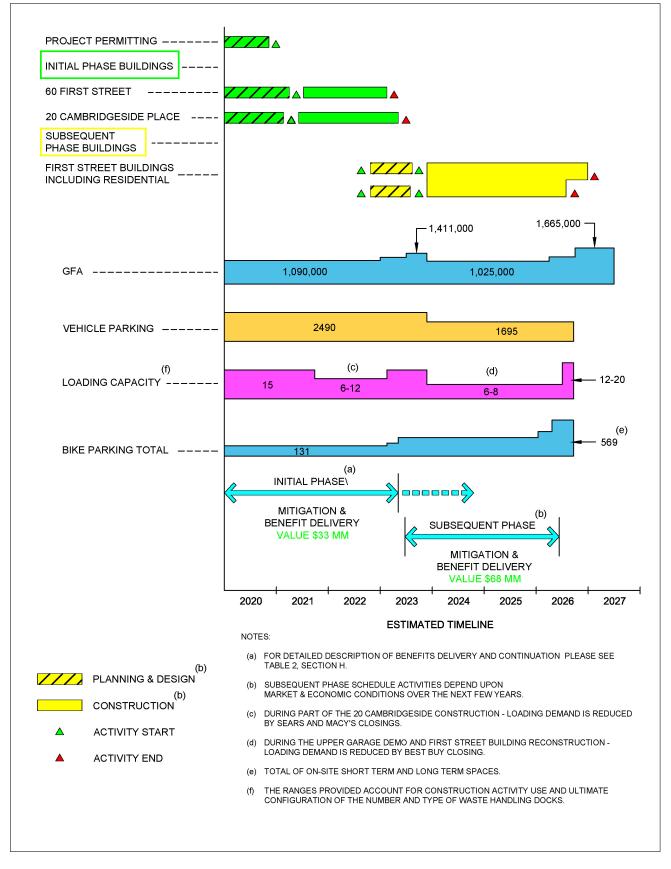
- i. In accordance with the Project's Commitment Letter and Section 13.104.1(d)(1) of the Ordinance, the Applicant proposes to construct the residential component in the subsequent phase of development (which subsequent phase is currently anticipated to commence in 2023). More specifically, the Project will deliver the approximately 175,000 sf residential component prior to or simultaneous with the earlier to occur of issuance of a final certificate of occupancy for more than 325,000 sf of non-residential Net New GFA or issuance of a building permit for the second new building at the Project. For the avoidance of doubt, a building permit for a "new building" shall mean a building permit authorizing the construction of a new structure that did not previously exist on the subject property (i.e., the building permit for the proposed addition to the existing Sears building would not constitute a building permit for a "new building").
- ii. The Applicant is unable to deliver the residential units in the initial phase of development as a result of existing site constraints (e.g., the need to keep the core mall functional throughout construction, including the need to keep one loading dock active at all times) and the need to subsidize the extraordinary number of Inclusionary and Middle Income Units with the development of the initial phase buildings.

Timing Comment #3

Timeline for delivery of jobs, with a breakdown by job type and approximately pay scale.

i. The Project is anticipated to create a significant number of short-term and long-term jobs in addition to maintaining the over 1,000 retail jobs currently existing at CambridgeSide, which range from part-time to full-time jobs, starting at entry level minimum wage positions and increasing up through manager level positions. The Applicant intends to keep the core mall open and operating throughout the redevelopment of the site and that, as such, be no layoffs associated with the Project. The Applicant estimates that as many as 5,000 short term construction jobs will be created over a 5-10 year period as the initial and subsequent phases of the Project are built. These prevailing wage jobs will be at a variety of wage and skill levels, from apprentice level through executive level positions for the building contractor and their subcontractors. The estimated approximately 3,000 new, permanent office/laboratory and retail jobs are also expected to be created at a wide variety of skill and wage levels, ranging from entry level jobs to executive level positions with wage levels across all spectrums of opportunity. Permanent jobs are anticipated to become available beginning in 2023 and continuing thereafter until completion of the Project construction.

Schedule 1: Phasing Timeline



PB #66

Minor Amendment Request

Supplemental Narrative

Table of Contents

- I. <u>Minor Amendment Request</u>
- II. Background
- III. Responses to Requests for Additional Information
 - a. Clarify whether any changes are proposed to the Approved Total Area of Use table in Amendment 21. This table has to be updated to reflect how much gross floor area of each category will remain subject to PB-66 and what will be controlled by PB-364.
 - b. Clarify whether any of the PB-66 special permit conditions associated with the approval of the use of parking spaces in the parking garage as a principal use in Amendment 18 need to be modified.
 - c. Provide a more detailed list of amendments to the conditions of PB-66 that are needed to enable the PB-364 development plan.
- IV. Conclusion

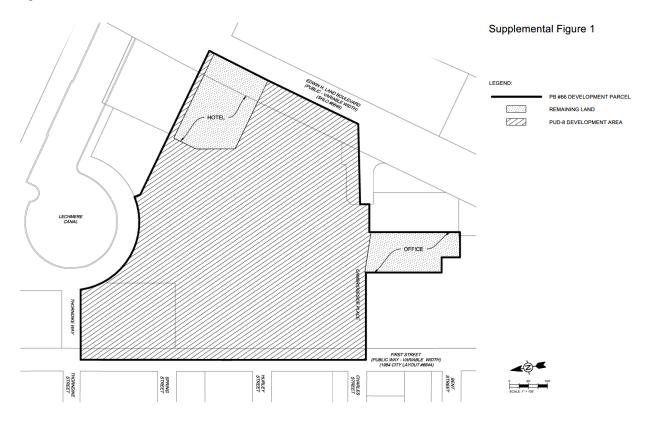
I. Minor Amendment Request

The Applicant respectfully requests that the Planning Board grant a Minor Amendment to the existing PUD-4 Special Permit (PB #66), pursuant to Section 12.37.2 of the Ordinance, to document the relationship between the existing PUD-4 Special Permit and the new PUD-8 Special Permit (PB #364) in accordance with Section 13.102.9 of the Ordinance. The Applicant has prepared this narrative as a supplement to the Applicant's August 2020 submission, with the intention of further detailing the proposed terms of the requested Minor Amendment in response to comments provided in the Preliminary Determination for the CambridgeSide 2.0 Project (PB #364).

II. Background

Pursuant to the terms of the new PUD-8 Special Permit (PB #364), the Applicant proposes to redevelop a portion of the site previously developed under the existing PUD-4 Special Permit (PB #66). In order to accommodate the proposed CambridgeSide 2.0 Project (PB #364), PB #66 must be amended to identify the relationship between the two special permits as they both relate to portions of the same site.

Supplemental Figure 1 below shows the following: (i) the limits of the PB #66 Development Parcel, outlined in a bold black line; (ii) the Hotel Marlowe and a portion of the Lotus Office Building (the "Remaining Land"), identified as the dotted area; and (iii) the "PUD-8 Development Area", which includes the existing below- and above-grade parking garages, identified as the striped area. The Applicant proposes (i) that the PUD-8 Development Area be subject to the provisions of PB #364, as detailed in Section 3 below, and (ii) that the Remaining Land continue to be subject to the terms of PB #66. For the avoidance of doubt, Supplemental Figure 1 below replaces Figure 1 from the Applicant's August 2020 submission.



III. Responses to Requests for Additional Information regarding the Minor Amendment to PB #66 as a result of the proposed CambridgeSide 2.0 Project (PB #364)

Each request for additional information included within the Planning Board's Preliminary Determination and associated City staff memoranda, as summarized in the Preliminary Determination Decision, is addressed below.

- 1. Clarify whether any changes are proposed to the Approved Total Area of Use table in Amendment 21. This table has to be updated to reflect how much gross floor area of each category will remain subject to PB-66 and what will be controlled by PB-364.
 - a. The Applicant proposes that the chart below replace the Approved Total Area of Use table provided in PB #66 Major Amendment #6 (also referred to as Amendment 21 (Major)) in order to reflect the reallocation of sf governed by PB #66 as a result of the CambridgeSide 2.0 Project (PB #364).

Use Category ¹	Existing Total Area of Use ¹ (approx.)	Proposed Total Area of Use (approx.)
Retail (to be governed by PB #66)	626,000 sf	0 sf
Hotel (to be governed by PB #66)	152,877 sf	152,877 sf
Office (to be governed by PB #66)	255,675 sf ²	115,675 sf ³
Retail (to be governed by PB #364)	0 sf ⁴	300,000 sf ⁵
Office (to be governed by PB #364)	0 sf ⁴	140,000 sf ⁶
PUD-8 (to be governed by PB #364)	0 sf ⁴	326,000 sf ⁷

¹ For the avoidance of doubt, while the Upper Garage was not counted as GFA under PB #66, the approximately 273,000 sf of the Upper Garage is considered Existing GFA under PB #364 in accordance with the terms of Section 13.104.1(a) of the Ordinance and will be governed by the terms of PB #364.

² This number includes the office use on the third floor of the core mall and the portion of the Lotus office building (One Charles Park) covered by PB #66.

³ This corresponds to the Lotus office building (One Charles Park).

⁴ There is no sf governed by PB #364 under the existing conditions.

⁵ This corresponds to the retail use on the first and second floors of the core mall.

⁶ This corresponds to the office use on the third floor of the core mall.

⁷ This corresponds to the retail use within the existing Macy's, Sears and Best Buy buildings that will be converted as part of the CambridgeSide 2.0 Project. This sf and any other sf shown in the above chart as being reallocated to PB #364 to accommodate the CambridgeSide 2.0 Project shall not be disregarded for purposes of reviewing density restrictions (including, without limitation, lot coverage and project bulk) with respect to the Remaining Land under PB #66. Provided, however, the reallocated use shall be governed by, and have the additional development benefits established under, PB #364, including, without limitation, all development parameters described in Section 3 below.

- Clarify whether any of the PB-66 special permit conditions associated with the approval of the use of parking spaces in the parking garage as a principal use in Amendment 18 need to be modified.
 - a. As detailed in the Final Development Plan for the CambridgeSide 2.0 Project (PB #364), the Applicant has been coordinating with TP&T regarding the changed parking and transportation needs that will exist at the site as a result of the CambridgeSide 2.0 Project. The Applicant will continue to coordinate with TP&T and anticipates that an amendment to the Commercial Parking Facility Permit (CPFP) that applies to the site, the terms of which are detailed in PB #66 Major Amendment #5 filed with the City Clerk on March 22, 2000 (the "5th Major Amendment to PB #66", which is referred to as "Amendment 18" above), will occur after issuance of the PB #364 PUD-8 Special Permit to provide adequate time to determine appropriate mitigation for the Project. The Applicant anticipates that a minor amendment to PB #66 will be required at the time that the CPFP for the site is amended in order to update the terms of the 5th Major Amendment to PB #66 and will coordinate with CDD, the Planning Board and TP&T to effectuate such an amendment at that time.
- 3. Provide a more detailed list of amendments to the conditions of PB-66 that are needed to enable the PB-364 development plan.
 - a. With respect to the Remaining Land subject to the terms of the existing PUD-4 Special Permit (PB #66), the terms of the existing PUD-4 Special Permit shall be applied without regard to any further rights granted to the PUD-8 Development Area pursuant to the PUD-8 Special Permit (PB #364). To the extent the provisions of the existing PUD-4 Special Permit, as they relate to the PUD-8 Development Area, conflict or are inconsistent with the PUD-8 Special Permit, the provisions of the PUD-8 Special Permit shall govern the PUD-8 Development Area, including, without limitation, with respect to the following development parameters:
 - i. Final Development Plan, including Building Locations, Site Layout and Dimensions. Final Development Plan, including Building Locations, Site Layout and Dimensions for the PUD-8 Development Area shall be governed by the Final Development Plan for PB #364, rather than the provisions of PB #66, including, without limitation, Condition 1 of the PB # 66 Decision filed with the City Clerk on June 25, 1987 (the "Original PB #66 Decision", which references the Final Development Plan plans for PB #66, as modified and amended).
 - ii. Allowed Uses. Allowed uses for the PUD-8 Development Area, including square footage allocated to each use category, locations of the same and any restrictions on maximum floor area, shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Condition 2 of the Original PB #66 Decision, as amended by (a) Conditions a through c of PB #66 Major Amendment #2 filed with the City Clerk on January 5, 1994, (b) the preamble to Conditions and Condition A.1. of PB #66 Major Amendment #4 and Planning Overlay Permit filed with the City Clerk on January 5, 1994; (c) Condition 16 of 5th Major Amendment to PB #66; and (d) Condition 1 of PB #66 Major Amendment #6 (also referred to as Amendment 21 (Major)) filed with the City Clerk on February 15, 2019.
 - iii. **Residential Requirements**. Any provisions related to residential development within the PUD-8 Development Area, including required square footage, gross residential densities, number and type of dwelling units, shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Condition 1 of the Original Decision and Sections I.5. through I.8 of the Final Development Plan plans for PB #66, as modified and amended.

- iv. **Maximum Building Height**. Maximum building height for the PUD-8 Development Area shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Condition 1 of the Original Decision (which references the Final Development Plan plans for PB #66, Section I.4. of which addresses maximum building height), as modified and amended.
- v. **Minimum Open Space**. Minimum Open Space for the PUD-8 Development Area shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Condition 3 of the Original Decision (which references the Final Development Plan plans for PB #66, Section I.5. of which addresses open space requirements).
- vi. **Parking and Transportation**. Parking and transportation requirements for the PUD-8 Development Area, including minimum and maximum parking ratios and spaces, bicycle parking, TDM measures and required mitigation, shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Conditions 1 and 7 of the Original Decision and Conditions 1 through 16 of the 5th Major Amendment to PB #66. For the avoidance of doubt and in accordance with the terms of PB #66, the sf that will remain subject to the existing PUD-4 Special Permit (PB #66) will be subject to the parking ratios applicable to the PUD-4 District set forth in Section 13.57.1 of the Ordinance, rather than the new parking ratios included in PB #364 or any other descriptions of the parking supply in PB #66 (including the initial parking supply set forth for the maximum of 2,750 spaces in Section I.10 of the Final Development Plan plans for PB #66).
- vii. Architectural and Design Characteristics and Review. Architectural and Design Characteristics and Review for the PUD-8 Development Area shall be governed by PB #364, rather than the provisions of PB #66, including, without limitation, Conditions 5 and 6 of the Original Decision.
- viii. **Dimensional Form.** The Applicant seeks the following modifications to the City's Dimensional Form as they apply to PB #66:
 - 1. Off-Street Parking. PB #66 provides that the development shall comply with the minimum parking requirements set forth in Section 13.57.1 of the Ordinance and that a maximum of 2,750 spaces may be provided to serve the development constructed pursuant to such special permit. Given that the Applicant proposes to redevelop a portion of the site previously developed under PB #66 (the PUD-8 Development Area), the parking requirements under PB #66 should only apply to the Remaining Land and any additional parking required under the terms of PB #66. Accordingly, a total of 368 spaces, which spaces may be shared across the uses at the site, would be required to satisfy the requirements of Section 13.57.1 of the Ordinance for the current mix of uses at the Remaining Land plus 150 spaces for the Sonesta Hotel (as required by the terms of PB #66).
 - 2. Loading Bays. PB #66 did not prescribe a number of required loading bays at the site; instead, Section I.3.a. of the Final Development Plan plans for PB #66 indicated that the proposed service and loading areas were approximate and would be subject to ongoing review by the Community Development Department staff and consultants. 15 loading bays currently exist at the site. In connection with the redevelopment of the PUD-8 Development Area, the Applicant proposes modifications to the loading bays to serve the entire site, including the Remaining Land.

Accordingly, the required number of loading bays for PB #66 shall be the final number of loading bays approved for PB #364.

Upon the issuance of a building permit pursuant to PB #364 for a building in the PUD-8 Development Area, the applicable building shall be governed by the provisions of PB #364, rather than PB #66. For the avoidance of doubt, Section 3 above is intended to supplement Exhibit 1 of the Applicant's August 2020 submission.

IV. Conclusion

The Applicant has provided the information in this supplemental narrative in response to each of the comments set forth in the Preliminary Determination regarding the requested Minor Amendment to PB #66 with the intention that these additional details clarify the modifications needed to PB #66 in order to accommodate the proposed CambridgeSide 2.0 Project (PB #364).