Response to Request for Qualifications
September 9, 2015

Mr. Thomas Evans, Executive Director
Cambridge Redevelopment Authority
255 Main Street, 4th Floor
Cambridge, MA 02142

RE: Request for Qualifications, July 15, 2015
The Foundry, 101 Rogers Street | Cambridge, MA

Dear Mr. Evans,

IL@Foundry is pleased to submit the attached response to the Request for Qualifications dated July 15, 2015 for the selection of an entity to redevelop The Foundry, 101 Rogers Street, Cambridge, MA. We are a partnership between Industry Lab (an Operator) and btcRE LLC (a Developer), and we are submitting as an Operator/Developer joint venture.

About Industry Lab (Operator Partner)
Industry Lab owns and operates a thriving shared workspace located in Inman Square, Cambridge. Industry Lab brings together freelancers, artists, start-ups and small businesses in a flexible, supportive environment where users can take meaningful ownership of their spaces. Industry Lab also boasts over $10 million in venture capital raised by residents. More than just a typical office coworking space, Industry Lab is a true community asset: On any given day (or night) one might encounter a diverse array of art, culture or community events hosted at Industry Lab’s public event space, a member of Industry Lab’s artist-in-residence program painting a mural, an intern hosted through the Cambridge Housing Authority’s Work Force program, or a “show and tell” lunch or monthly “soup night” where residents share their expertise. Industry Lab is proud that over half of Industry Lab’s residents are also City of Cambridge residents. Industry Lab was born out of Andrew Meyer’s quest for space for his own, successful hardware start-up. Beginning in 2011 with 10 residents in 1,200 square feet, Industry Lab has since expanded to host 90 coworking residents in 17,000 square feet across three floors at 288 Norfolk Street, Cambridge, MA. Mr. Meyer will serve as the lead contact for the Operator Partner of the IL@Foundry joint venture.

About btcRE (Developer Partner)
btcRE is a niche real estate investment and development firm with a specific focus on projects that match the scope, scale, revitalization objectives and urban infill location of The Foundry. The firm has recently completed its first major redevelopment project: 35-37 Medford Street (Somerville, MA), a 53,347 SF brick-and-beam office building constructed ca. 1880’s. Similar to The Foundry in many respects, the project entailed a comprehensive renovation of all major base building elements in a historic structure, along with simultaneous new build-outs of most tenant suites. btcRE successfully transformed a deteriorated, underutilized asset into a modern, inviting work environment that has attracted a diverse tenant base, ranging from large technology and creative economy firms to small non-profits and sole proprietors. In prior roles before launching btcRE, the firm’s Co-Founder and Managing Partner, Brian R. Iammartino, CFA, MPP, gained deep knowledge and expertise in commercial real estate investing and consulting, complemented by broad skills and experience in general finance and complex investment structuring. He also brings a passion for urban public policy and community engagement, as a graduate of the Harvard Kennedy School and guest-lecturer and author on related topics. Mr. Iammartino will serve as the lead contact for the Developer Partner of the IL@Foundry joint venture.
Our Vision
Industry Lab and btcRE are local, entrepreneurial firms prepared to bring a creative, flexible and hands-on approach to renovating and operating The Foundry. IL@Foundry’s vision is of an inclusive, sustainable creative ecosystem under a single roof, a collaborative environment that offers support at every inflection point of the creative lifecycle. Managed by a sophisticated and experienced operator like Industry Lab, The Foundry will be a place where Cambridge residents can come to be inspired, educated and entertained; a place where businesses of all sizes and stages of life will be welcomed; a place where high-end venture capitalists will rub elbows with local high school students; a place where diverse and complementary revenue streams will make all these operations possible.

Realizing this vision will require extensive building renovations, and btcRE has the experience and expertise necessary to carry out a complex construction project of this nature. Working in close collaboration with a best-in-class development team, btcRE will oversee a process that is creatively financed, sensitive to the history of the structure and to community needs, and carefully planned to meet program objectives. btcRE will bring day-to-day executive-level presence throughout all phases of the project; this will enhance the efficiency of construction activities and property operations (e.g., rapidly responding to unforeseen conditions), improve marketing and tenant leasing efforts, and ensure responsiveness to tenants, community members, the City, the CRA and other stakeholders.

Bringing together Industry Lab’s operator expertise and btcRE’s development expertise, IL@Foundry is uniquely qualified to undertake this endeavor. We look forward to working with you to make this vision a reality.

Sincerely,

IL@FOUNDRY

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“Industry Lab fulfills a necessary role in the tech and innovation community, one that isn’t adequately fulfilled by any other space in Cambridge.”

— James White, Co-Founder, Common Sensing
Imagine a place where freelancers, artists, startups and small businesses gather in mutual support, where entrepreneurs work alongside their children and companion animals and where experienced advice is just down the hall. The rent is affordable, the music is live, the art is local and the friendships are real. That place is called Industry Lab, and it’s located at 288 Norfolk Street in Cambridge, Massachusetts.

Industry Lab and btcRE have partnered to respond to the Cambridge Redevelopment Authority’s Request for Qualifications for the Foundry because we have cracked the code on a better way to work, learn and play. We hope to use that expertise to renovate and manage the Foundry.

The Industry Lab team has been busy supporting and managing coworking and community spaces since early 2010. Andrew Meyer, one of IL’s founders, managed its expansion from ten residents in 1,200 square feet to 90 residents in about 17,000 square feet, including 1,000 square feet of publicly-available arts and event space. Rex Baker is a local corporate attorney and Industry Lab resident. Originally hailing from Texas, Mr. Baker helped TX/RX labs, a Houston nonprofit makerspace, achieve 501(c)(3) status, expand into a larger space and grow from fifteen members to over 100. The Industry Lab team is deeply committed to inclusive and accessible creative and community spaces, and has the experience to see the Foundry become a rich and meaningful resource for Cambridge residents of all ages, interests and backgrounds.

btcRE is a niche real estate investment and development firm with a specific focus on complex renovation projects that match the scope, scale and revitalization objectives of the Foundry. The firm’s Co-Founder and Managing Partner, Brian R. Iammartino, CFA, MPP, developed a passion for urban revitalization, public policy and community engagement as a graduate of the Harvard Kennedy School and guest-lecture and author on related topics. Following a successful career on Wall Street and with leading real estate investment and consulting firms, he co-founded btcRE so he could utilize his strong real estate and investment expertise on projects that contribute in a positive way to the urban fabric. Rather than renovating another Class A building in the Back Bay to serve hedge funds and law firms, btcRE believes that projects with a strong urban development component are both good business and good for the community. btcRE has proved this approach through its successful revitalization of 35-37 Medford Street in Somerville, and the firm looks forward to bringing the same commitment to the Foundry.

We believe that Cambridge residents are ready for a new way to work, learn and play. We are honored to present our vision for the Foundry to the CRA, and excited for the opportunity to implement this very important work in collaboration with the CRA and the City of Cambridge.
“Industry Lab has helped enable Agaric form valuable community connections. We are very pleased we decided to share space at Industry Lab, and would be delighted to see more space creatively managed by the Industry Lab team become available.”

— Christopher Thompson, Worker Owner, Agaric
Vision

IL@Foundry’s vision is of an inclusive, sustainable creative ecosystem under a single roof, a collaborative environment that offers support at every inflection point of the creative lifecycle. Cambridge residents will find inspiration and community at our public art and tech events. From there, some will enroll themselves – or their children – in our courses on subjects from soldering to sous vide. In our maker space, they will receive training on the same equipment used by the startups and small businesses that reside in our affordable coworking space – and some will go on to create their own local businesses. Successful businesses will find room to grow in our traditional retail, R&D and office suites, with onsite access and exposure to venture capital and other professional services in premium offices on the top floor.

We envision an aesthetic and pricing differential among the various use-areas of the Foundry. This regime will create an appropriate “feel” as much as it keeps pricing commensurate with the business needs of the residents. Another advantage of differentiated pricing is the project’s ability to subsidize uses that may be less profitable, but that bring tangible benefits to the Cambridge community. The event space will be open, clean and inviting. The educational and lab areas will telegraph a tidy, safe and inspiring vibe. In the coworking area, which will be plain but not shoddy, residents will have freedom to decorate and otherwise personalize their space as they would in the garages, basements and warehouses already well known to startups. The traditional R&D, office and retail spaces will reflect the aesthetic of more mature businesses, and the premium office space will be designed and priced appropriately.

Event Space / Nexus

The event space will feature 3,000 square feet of versatile assembly area on the ground floor, with access to the side yard for outdoor events. The event space forms the “nexus” of this project, a central space where various patrons and residents of the Foundry – members of the public, students, entrepreneurs and professionals – will converge, socialize and otherwise intersect as they move through the Foundry.

Like much of the rest of the building, it will be designed to accommodate a number of uses, in this case gallery openings, small concerts and dramatic productions, public lectures and science demos. The event space will also be available for booking by the public, with special rates for nonprofits and arts organizations, and will be staffed to permit open-door access after hours.

Education

In addition to offering lectures for large audiences in the event space, we will dedicate 1,000 square feet to traditional classroom space. We are currently exploring relationships with education and training outfits to offer programming in high-demand STEM fields like coding and web design, as well as practical areas like cooking, woodworking, small business accounting and language instruction. Classes present a great opportunity to connect Cambridge’s unique pool of highly qualified residents with those who are eager to learn new skills and advance their careers.
We are currently evaluating whether to offer education and shop services (discussed below) via IL itself as an in-house capacity, or to partner with a local organizations. While we are confident that our team could organize those services, we are absolutely open to collaboration on those fronts.

Labs: Fabrication, Electronics, Studio, Kitchen

The labs will create common ground, literally, between the education and coworking components of IL@Foundry. Students will train on much of the same software and equipment that coworking entrepreneurs will use to render their services or to design, prototype and manufacture their products.

We currently envision four main lab areas: A 2,000 square foot fabrication lab equipped with hand tools, CNC routers and mills, laser cutters, 3D printers and other modern shop equipment; a 1,000 square foot electronics lab with soldering irons, oscilloscopes and other testing equipment; a 1,000 square foot audio-visual studio for recording, video production and editing and photography; and a 2,000 square foot commercial kitchen.

Industry Lab currently has partnerships with Dassault Systèmes SOLIDWORKS Corp., as well as The Mathworks, Inc. (makers of MATLAB), who have graciously provided free software licenses, with a total value of more than $100,000, to Industry Lab residents. We are exploring relationships with equipment manufacturers to expand Industry Lab’s offering of donated software and machinery, and hope to bring those partnerships with us to the Foundry, where our sponsors will enjoy even higher profile exposure among the Cambridge creative public.

Certain equipment, particularly heavy machinery and delicate instruments, requires a degree of skill to safely operate without injury to people or damage to the equipment. Some sensitive equipment designated for resident use may be separated from the general use/training tools to ensure safety and availability. The labs and commercial kitchen will be appropriately staffed for safety and proper operation.

Coworking

Coworking represents IL’s core competency, and our team members have been refining the concept since 2010. For the Foundry, we envision 150 desks across 20,000 square feet of space, which will include shared conference rooms, small lounge areas and kitchenettes. For a monthly fee, the coworking space will also provide traditional office services to residents – internet, coffee, printing, mail room and phone answering services.
Industry Lab’s coworking style offers two innovations over traditional coworking: First, unlike the prevailing trend in coworking toward pay-by-the-hour, “floating desk” models, our coworking model offers dedicated work spaces to longer-term residents for whom the Foundry will be their primary workplace. In our discussions with managers of other coworking spaces, community remains the biggest challenge for the floating desk model. The transience of floating membership is a significant barrier to building strong communities. Second, we’ve found that the large open office layout, while aesthetically pleasing, invites distractions that hurt productivity. To that end, we like to break up our spaces into “nooks” of 8-10 residents, using available space and, where appropriate, movable partitions that can be adjusted to residents’ needs.

Coworking at the Foundry will be curated, with residents selected against a rubric of diversity, talent and community fit. Diversity serves three functions: First, it creates richer opportunities for intellectual and experiential cross-pollination. Second, it prevents intra-space competition among businesses pursuing the same customers. Finally, it encourages a creative ecosystem where coworking residents look to one another and their networks for business services such as design consulting, prototyping and other business needs. Curating for talent, in our experience, lowers turnover and provides a stronger resource base for other residents. And curating for community fit simply means selecting residents who are comfortable with the coworking “mode” and will treat their fellow residents with professionalism and respect.

The coworking space will also expand on IL’s existing artist-in-residency programs, which have been a resounding success. That program provides free studio space to local artists for a few months at a time on a rotating basis.

**Traditional Office, R&D and Retail Space**

Offering traditional office, R&D and retail space will solve a long-running problem at IL: The need for larger and more formal office suites as our successful startups “graduate” from the coworking environment. In many cases these businesses leave
IL at the apex of their value to the IL community, both as knowledge resources and sources of work for other coworking residents. With traditional office space, the Foundry will keep local businesses in Cambridge.

Our plan includes 15,000 square feet of traditional office, R&D and ground-floor retail space for larger businesses and those startups that grow too large for the coworking space. As with the coworking space, we will offer office services like internet, phone answering, mail room and printing. Office and R&D space residents will be curated just like our coworking residents.

Traditional office space may best illustrate the strength of IL and btcRE’s partnership together. FormLabs, maker of the innovative Form One 3D printer, got its start as an IL resident here in Cambridge and grew quickly. When it was ready to expand beyond IL, FormLabs moved to a property developed and managed by btcRE, 35-37 Medford Street (in Somerville) and has thrived at that location. Together, IL and btcRE hope to offer space at Foundry where successful Cambridge businesses can gracefully transition to more accommodating offices without departing to neighboring communities.

With a large commercial kitchen, IL@Foundry will be an attractive option for food businesses. As part of the Foundry renovations, we are considering a green roof garden patio where residents and the public can mingle at a bar/restaurant after work. That said, we want to limit the presence of restaurants and cafes at IL@Foundry for two reasons: First, Kendall Square already has plenty of (very popular) cafes and coffee shops, so jumping into a saturated market may be unwise. Second, to the extent a revitalized Foundry will bring more foot traffic to Kendall Square, we hope that Foundry residents will leave the building at lunch and dinnertime to bring business to the many great restaurants in the area, not to mention spread the word about the Foundry.

Other possible retail tenants would include a child care center, nonprofit community organizations, an art gallery for local artists (especially former and current artists-in-residence), or a storefront featuring locally designed or manufactured goods.

Premium Offices

Tech and business leaders will want a presence in this environment because of the access it offers to the local startup and tech scene, as well as the positive community exposure it will generate. We envision 15,000 square feet of premium office space for venture capital firms, household-name tech companies, law offices and other high-end businesses. Like our coworking and traditional spaces, residents of the premium office space will be curated for diversity, talent and fit.

We also anticipate that in addition to paying rent, our premium office residents will provide workshops and seminars on topics like accounting and financial literacy, delivering a pitch, legal issues for small businesses, etc. Presentations like these are a popular way of simultaneously providing a service to the community and generating business leads for the presenter.
Conceptual Design Approaches

Working with ARC/Architectural Resources Cambridge, we have envisioned two conceptual design approaches to accomplish our goals of re-activating the property, improving the relationship between the building and the surrounding streetscape, and fostering collaboration and interaction between different users. These concepts illustrate the unique and flexible environment that we imagine. Please note, however, that they are extremely preliminary based on our review of limited architectural information, and that one or both approaches may not be feasible or may require significant revision following further study of the building.
Conceptual Approach 1
“Central Nexus”

The “Central Nexus” approach incorporates the assembly space at the inner core of the building. Different nodes of the building occupied by different users revolve around this central assembly space, creating a focal point of interaction – both planned and unplanned – as users move around the building. The central nexus would be at the intersection of the building’s main common corridors and would serve as a “main lobby” of sorts, so that visitors to the building would also be “drawn” towards the space and encounter different users as they navigate the building.

This approach also incorporates vertical additions to the building over portions of the left and right side wings. These additions could be ideal for premium users, leaving more space within the existing structure for other uses and public space.
Conceptual Approach 2
“The Boulevard”

The “Boulevard” approach creates a new, usable portion of space on the area of the parcel that is currently the “Side Yard.” From the exterior, this addition would serve to clearly announce the building to the neighborhood and provide greater visibility from Third Street. In the interior, “The Boulevard” would offer added space for publicly-accessible programming and establish the public benefit of a new, pedestrian-friendly connection between Rogers Street and Bent Street. There would be an assembly space towards the middle of the building, which would be accessible from the Boulevard as well as from other areas within the building. Like in the Central Nexus approach, the Boulevard and adjoining assembly space would be programmed to bring a diverse mix of public uses, events and collaboration. Interaction would be nurtured as tenants, users and members of the public traverse The Boulevard to access different areas of the building, the assembly space and the adjoining public streets.
“Many of the people in the Industry Lab community are quite talented designers and professionals. Having them under one roof creates an environment where new ideas are born all the time.”

— Marcelo Coelho, Principal, Marcelo Coelho Studio
**btcRE and Industry Lab envision a genuinely equal partnership built on the complementary skill-sets and backgrounds each bring to the project. Each partner will have clear responsibility and authority for the activities that fall within its respective areas of expertise, and each will be compensated accordingly.**

An **Operating Company** will be established (see diagram on page 21) and serve as legal holder of the leasehold interest. This new entity will have authority to enter into contractual agreements such as subleasing The Foundry from the CRA. Among other roles it will secure financing, receive cash flows from financing sources, and distribute cash flows to members.

A **Management Company** jointly-owned 50/50 by btcRE and Industry Lab will be set up to serve as **Managing Member** of the Operating Company. The Management Company will receive compensation from the Operating Company for services provided, including incentives for achieving agreed-upon property goals such as renovation and leasing milestones. The legal Operating Agreement of the Management Company will delineate the roles, responsibilities and compensation structures for each partner’s work related to The Foundry. For example, btcRE will have primary responsibility and authority for development operations, such as entering into lease agreements and reviewing/approving construction change orders, while Industry Lab would have responsibility related to programming the assembly space.

The other Members of the Operating Company will be **Investor Members** who have invested financial resources in the project. These passive investors have no decision-making authority and are protected by limited liability status. They are expected to receive investment returns, primarily in the form of dividends. Investor Members could include high-net worth individuals, family offices, crowdfunded capital, and other alternative equity sources, as well as co-investments by btcRE and Industry Lab.
Real Estate Operations And Tenanting

As noted above, btcRE will have primary responsibility for traditional real estate operations and tenanting to long-term users, while Industry Lab will have responsibility for tenanting the co-working space, programming community uses, etc.

btcRE embraces a collaborative, creative and transparent approach to carry out its tasks and reach its goals. At the project outset, the firm will bring together a best-in-class team of professional service providers and quickly focus on establishing shared core values, measurable goals and objectives, and open lines of communication. btcRE selects service providers with strong local presence to ensure commitment to the community, in-depth market knowledge, close attention to the project, and a visible, hands-on approach to property operations. btcRE espouses the same hands-on approach in its own work: Managing Partner, Brian R. Iammartino, CFA, MPP will be involved on a daily basis in all of btcRE’s activities, bringing a strong executive-level presence to The Foundry project.

Real Estate Operations

btcRE will retain a third-party property management firm for day-to-day building operations, and will also retain third-party legal, accounting and bookkeeping service providers. With this approach, btcRE can effectively leverage the specific expertise of its service providers, with greater efficiency and cost-effectiveness than handling those functions with in-house staff.

Tenanting

For traditional leasing to long-term users, btcRE will retain a third-party property leasing firm. In addition to proven expertise in the Kendall Square/Cambridge market, the ideal leasing firm will have strong ties and deep market knowledge throughout surrounding communities as well, so as to attract alternative, non-traditional tenants who might not otherwise consider the Kendall Square area. In concert with the leasing firm, Mr. Iammartino will participate in all key marketing efforts and tenant tours. Executive-level presence in these activities, btcRE believes, helps to differentiate a building from its competitors and to better attract and retain tenants.
Organizational Structure and Management Approach

Members of ManCo
- btcRE LLC
- Industry Lab

Managing Member of OpCo
- Management Company LLC ("ManCo")
  - Established by Industry Lab and btcRE

Investor Members of OpCo
- btcRE LLC
- Industry Lab
- HNW individuals
- Family offices
- Crowdfunding
- Other

Roles of Members
- Roles and responsibilities delineated between Members according to their areas of expertise
- ManCo receives compensation from OpCo for services provided, including incentives for achieving project goals such as renovation and leasing milestones

Roles of Operating Company
- Legal holder of the leasehold interest
- Enters into contracts
- Secures financing
- Receives and distributes property cash flows

New Operating Company ("OpCo")
- Operating Company LLC ("OpCo")
  - Established by Industry Lab and btcRE
- Subleases from the Cambridge Redevelopment Authority
- Leases from the City of Cambridge

Roles of Investor Members
- Invest in the project
- Receive returns primarily in the form of dividends
- Limited liability
- No decision-making authority

Roles of Operating Company
- Legal holder of the leasehold interest
- Enters into contracts
- Secures financing
- Receives and distributes property cash flows

Cambridge Redevelopment Authority
- Leases from the City of Cambridge

The City of Cambridge
- The Foundry
  - Owned by the City of Cambridge
“We’ve completed three buildouts and expansions in our 35 Medford space, and bteRE has guided us expertly through the entire process. We could not have been in better hands!”

— Virginia White, Operations Lead, Formlabs
Industry Lab is an artful co-working space in Inman Square, Cambridge, Massachusetts. Inhabiting about 17,000 square feet of a lovely brick building with wood floors and lots of windows, it’s a place for artists, engineers, scientists, and designers to reside in proximity in the service of creating beautiful things. We are freelancers, groups, startups, and studios.

Industry Lab itself was born in 2011, when Andrew Meyer and nine others leased 1,200 square feet in the old French Laundry building on Norfolk Street across from the Cambridge Department of Public Works. Over the years, Industry Lab has expanded to host 90 coworking residents across three floors.

Our stats and programming demonstrate Industry Lab’s close kinship with the CRA’s project vision and objectives for the Foundry:

- Rent at IL is affordable, at $400 monthly for a dedicated, secure work area (including internet, electricity, coffee and snack bar).
- Over half of IL residents are also City of Cambridge residents.
- IL hosts interns through the Cambridge Housing Authority’s Work Force program. IL residents also host summer interns of their own.
- IL hosts a diverse array of art, culture and community events:
  1. Curious Sound Objects got its start at IL - http://www.curioussoundobjects.com/
  2. Agaric, an employee-owned web development company, hosts monthly worker-owned cooperative meetings at IL - http://agaric.com/about
  3. Cambridge Hackspace got its start at IL - https://www.cambridgehackspace.com/
  4. Plebian Fiasco, creative exercises at IL - http://plebiandesign.com/blog/?p=608
  5. Gallery openings for our artists-in-residence.
  7. Performance art.
- IL’s 1,000 square foot event space is available for rent by the public. Most of our events are public, as well.
- A large majority of IL residents are local freelancers, artists and small businesses looking to make a sustainable living and expand organically.
- IL startups have successfully raised over ten million dollars in venture capital.
- IL residents share their expertise with one another through regular “show and tell” lunches, a monthly “soup night” and in innumerable ad hoc gatherings.
- Working at IL is incredibly fun.
Andrew Meyer

While still a senior at MIT in 2009, Andrew Meyer recruited four friends and fellow recent graduates from MIT to leave positions at SpaceX, VMWare, and PhD programs to start an R&D firm that would attack head-on one of the computer industry’s toughest modern challenges -- how to succeed in a world where transistors continue to get cheaper and smaller, but have stopped getting faster. As a co-founder and current President of LeafLabs, Andrew has worked to identify those key talented individuals and emerging technologies that present opportunities for collaboration and development of successful commercial projects. The company boasts key roles in the development of Willow, a breakthrough neurotechnology platform that enables the direct recording of thousands of neurons in-vivo, and Google’s revolutionary modular smartphone, Project Ara. In addition to its technical interests, the company has followed a philosophy of open source development and community involvement.

Andrew’s interest in coworking first began in 2010 when LeafLabs moved into an underutilized commercial office building in Central Square. LeafLabs’ four founders were the only tenants of the 10,000 sqft. building, but soon, Andrew and his colleagues had assembled enough like-minded friends and other startups to fill the building. 371 Green Street had become Tech City. Convinced in the value sharing workspace with a diverse and talented group of others, Andrew and another Tech City resident co-founded the Industry Lab in 2011, signing its first lease on 1,200 sqft.

Under Andrew’s leadership, both Industry Lab and LeafLabs have grown considerably since then, with nearly $5 million in annual revenues between the two companies. Industry Lab has grown to over 90 individual residents occupying about 17,000 sqft. Andrew stepped down from day to day operations in 2014 and appointed Carly Nix as IL's current director. Andrew maintains an active advisory role to help manage the Inman Square location while now focusing his efforts on LeafLabs projects and expanding the Industry Lab vision here in Cambridge whilst bringing IL’s uniquely community-centric approach to innovation and coworking to other markets in the United States.
Rex G. Baker IV

A native Texan, Mr. Baker grew up in the Hill Country west of Austin, and has spent almost a third of his life in and around Cambridge, first as a Harvard undergraduate and now as a solo attorney. Mr. Baker earned his JD from the University of Texas at Austin and practiced corporate law in Houston for several years at Gardere Wynne Sewell LLP. While at Gardere, his practice focused on mergers and acquisitions, particularly in oil and gas, as well as commercial finance and business contracts.

During his time in Houston, Mr. Baker became an active member of TX/RX Labs, a nonprofit makerspace, and together with his business partner subsidized TX/RX as it moved and grew into a large industrial space in Houston’s east side. Today, TX/RX Labs is one of the largest makerspaces in the world, with over 30,000 square feet under lease, an impressive art and tech curriculum, and over 250 members.

Mr. Baker returned to the Boston area in 2013 for his wife’s postdoctoral fellowship at MIT. He has worked out of two local coworking spaces: the Pirateship in Somerville, and Industry Lab in Cambridge. He founded his Massachusetts law practice in June of 2014 to serve local small businesses and startups, and counts many Industry Lab residents as his clients and friends. He is actively involved in expanding Industry Lab services to its residents, including its shop and educational offerings.
William A. Meyer

Following his graduation from the Wharton School of the University of Pennsylvania, The London School of Economics and Georgetown Law School, Bill Meyer became a member of the New York and Florida Bars and a specialist in real property law with a New York City law firm. He later became a graduate of Harvard Business School.

In 1976, he accepted the position of Vice President, Real Estate and Law, for Servico, Inc., then a small publicly traded hotel company. Over the next 12 years, Servico grew to become one of the largest independent hotel companies in the United States with 58 hotels in its portfolio. Before selling his interest and resigning in mid-1988, Bill served as Servico’s President and Chief Executive Officer. Bill is presently Chairman of Meyer Jabara Hotels with offices in Danbury, Connecticut and West Palm Beach, Florida. Since 1978, he and Richard Jabara have expanded their hotel portfolio to include 21 hotels with nearly 4,000 rooms in 10 states. The hotels range in size from 38 rooms to 500 rooms and are operated under licenses from Marriott, Hilton, Sheraton, Intercontinental and Hyatt.

Within Palm Beach County, Bill Meyer has developed a number of other real estate projects. These include Interstate Plaza, a 76,000 square foot office building in Boca Raton; 1601 Belvedere, a 100,000 square foot office building and Embassy Suites Hotel in West Palm Beach; The Dunes of Ocean Ridge, an oceanfront townhouse condominium in Ocean Ridge; Jupiter Square, a 105,000 square foot shopping center in Jupiter; The Residences of Windsor Court in Palm Beach; the 1,600 acre Fox Property on Okeechobee Boulevard and Route 441 in West Palm Beach; the 500 acre Crestwood Lakes residential development in Royal Palm Beach, now known as Madison Green and Devonshire at PGA National, a Seniors Life Care Community.

Bill is the former Vice Chairman of the Board of Trustees of JFK Medical Center and the past Chairman of the Florida Chapter of The Young Presidents’ Organization. He is the immediate past Chairman (now Treasurer) of the Kravis Center of the Performing Arts, a multiple theater venue in West Palm Beach, and the immediate past Chairman of The Quantum Foundation, the 12th largest charitable foundation in the State of Florida. He also serves on the Board of Overseers of the School of Social Policy and Practice at the University of Pennsylvania.
btcRE Team

Lead Development Partner
btcRE LLC, Somerville, Ma

btcRE is a niche real estate investment and development firm targeting the redevelopment of underutilized, mid-sized urban office and retail assets in and around Boston, Massachusetts. The firm recently substantially completed its first redevelopment project, 35-37 Medford Street, located near Union Square in Somerville, Mass. The project entailed a comprehensive base building renovation program, turnkey tenant build-outs, and lease-up to 100% occupancy.

btcRE’s successful revitalization of 35-37 Medford Street has transformed a deteriorated, 130-year-old property into a community asset. The building today is a modern, inviting work environment that has attracted a diverse tenant base, ranging from large technology and creative economy firms to small non-profits and sole proprietors.
35-37 Medford Street.
TOP: Formlabs Interior after renovation. LEFT: Trusses and walled offices. RIGHT: Exposed beams.
As Managing Partner of btcRE LLC, Mr. Iammartino leads all day-to-day operations of the firm. His work includes investment sourcing and evaluation, structuring of acquisitions and financings, tenant leasing and marketing, budgeting and financial reporting, and close oversight of all construction activity and building operations. Mr. Iammartino brings to this role deep knowledge and expertise in commercial real estate investing and consulting, complemented by broad skills and experience in general finance, complex investment structuring, urban public policy, and community engagement.

Prior to co-founding btcRE, Mr. Iammartino worked from 2006-2011 for Westport Point Capital, a private equity real estate firm that completed $179 million in Boston office acquisitions during Mr. Iammartino’s tenure, and for Harvest Capital Partners, an institutional real estate advisory firm for which Mr. Iammartino completed consulting assignments across all major property types and markets around the country. Mr. Iammartino began his career in 2000 with The Blackstone Group in New York, where he performed comprehensive investment due diligence, financial analysis and portfolio monitoring for complex capital investments, such as subordinated loans, preferred equity, common equity, and equity warrants and options. Mr. Iammartino moved to Boston in 2004 to attend the Harvard Kennedy School, where he developed a passion for urban public policy and community engagement. He has remained active in the field of public policy as a frequent guest-lecturer on topics related to public budgeting, finance and urban policy, and as an author and contributor to Harvard Kennedy School case studies and other published works on similar topics.

Mr. Iammartino is active in industry associations such as the Urban Land Institute, serves on the Board of the Somerville Chamber of Commerce, and is a proud volunteer for organizations including the YWCA Boston, Jumpstart, and Italian Home for Children. He is a graduate of the Wharton School of the University of Pennsylvania (Bachelor of Science summa cum laude) and the Harvard Kennedy School (Master in Public Policy), and a CFA charterholder, and a published author.
btcRE Advisory Board

Led by Mr. Iammartino, btcRE embraces a collaborative, creative and transparent approach to operations and construction, bringing together best-in-class teams of professional service providers, and actively soliciting input from tenants, government officials, and community members. A diverse and active Advisory Board comprised of leaders in their respective fields provides strategic advice, insights and feedback, and the firm has a stable and committed investor base of high net worth individuals and family offices supporting its work.

M. Ryan Gorman | Co-Founder, Lead Investor and Chair of Advisory Board  
Professional Affiliation: Senior Vice President of Strategic Operations, NRT LLC

Mr. Gorman advises btcRE on topics related to architecture, design, construction, and urban planning and revitalization. As an Associate Principal at ARC, Mr. Angelakis brings an innovative approach to the project design process. His passion for architecture, sustainability and contemporary design helps inspire and energize design visions, resulting in collaborative and interactive methodologies for each project. His recent major projects include the Tufts Dental Vertical Expansion in downtown Boston and the mixed-use Rochester Institute of Technology Global Village. Mr. Angelakis earned a five-year Bachelor of Architecture degree from Syracuse University, where he was the recipient of numerous architectural awards.

Christopher Angelakis, AIA, LEED AP | Advisory Board Member  
Professional Affiliation: Associate Principal, ARC/Architectural Resources Cambridge

As btcRE’s Co-Founder, Lead Investor and Advisory Board Chair, Mr. Gorman plays a critical role in guiding the firm’s investment strategies, operations, and long-term planning. Though not involved in btcRE on a daily basis, he consults frequently with Mr. Iammartino and participates in all major decisions and strategic initiatives of the firm.

At NRT LLC, Mr. Gorman manages strategic operations for the nation’s largest residential real estate brokerage, with more than 700 offices around the country. Mr. Gorman leads the company’s overall strategic growth and competitive analysis functions and has operational responsibility for growing NRT’s commercial, insurance, real estate owned (REO), property management and rental businesses, in addition to overseeing its mortgage, title and home warranty services partnerships. Prior to this role, Mr. Gorman was the Corporate Senior Vice President and Head of Strategic Development for Realogy Corporation, NRT’s parent company. In that role, he oversaw strategic development and merger and acquisition activities for Realogy and its four business units. He also contributed significant strategy work for Realogy’s world-renowned brands and franchisees.

Before joining Realogy in 2004, Mr. Gorman held advisory and principal investment roles with PricewaterhouseCoopers (Transaction Services, Philadelphia, Pa.), Credit Suisse (CS First Boston’s Technology Investment Banking Group, Palo Alto, Calif.), and The Blackstone Group (Blackstone Debt Advisors, New York City). He graduated with honors from the Wharton School of the University of Pennsylvania.
Professor Linda J. Bilmes | Advisory Board Member
Professional Affiliation: Daniel Patrick Moynihan Senior Lecturer in Public Policy, Harvard Kennedy School

Professor Bilmes is a full-time faculty member at the Harvard Kennedy School, where she teaches budgeting, cost accounting and public finance. She is widely considered one of the leading experts in US budgeting and public finance, and she advises btcRE on matters relating to public policy and government engagement. She has held senior government positions, including Assistant Secretary and Chief Financial Officer of the US Department of Commerce during the Clinton administration, and has served on a number of high-level national commissions. At Harvard, she runs an innovative program to assist cities and towns in Greater Boston with their financial health, and she also leads budgeting and appropriations workshops for newly-elected Mayors and Members of Congress.

Lee Hower | Advisory Board Member
Professional Affiliation: Partner, NextView Ventures; Founding Member, LinkedIn

Mr. Hower brings his extensive experience in start-up operations, business development, and venture capital investing to provide invaluable advice to btcRE on the firm’s strategic growth, value proposition, and potential tenant markets in the technology industry. He has served in key operational roles with PayPal (through the company’s IPO and subsequent sale to eBay) and LinkedIn (as a Founding Member), and as an investor in firms such as Multiply, FanIQ, MusicNation and Sittercity. In 2010, he co-founded NextView Ventures, a dedicated seed stage VC firm focused on transformative Internet businesses.

Peter Wilde | Advisory Board Member
Professional Affiliation: Managing Director, Providence Equity Partners

Mr. Wilde is a Managing Director based in the Providence office of Providence Equity Partners. His expertise in investment fundraising, sourcing, structuring and growth strategy helps btcRE maximize its investment efficiency and grow its business. Mr. Wilde is currently a director of Ascend Learning, Blackboard, Education Management Corp., Galileo Global Education, NEW Asurion and Study Group. Prior to joining Providence in 2002, Mr. Wilde was a general partner at BCI Partners, where he began his career in private equity in 1992. He was involved in many of BCI’s investment activities in media, education and marketing services companies. Prior to BCI, Mr. Wilde worked at LaSalle Partners in the acquisitions group. Mr. Wilde received a Master of Business Administration from Harvard Business School and a Bachelor of Arts from Colorado College.

Alex Zaldastani | Advisory Board Member
Professional Affiliation: Former Mortgage Trader, Wellington Management

Mr. Zaldastani’s deep expertise in the financial markets and investment management industry allows him to offer critical feedback and advice to guide btcRE’s fundraising activities and investment strategies. Mr. Zaldastani’s specialties include commercial and residential mortgage-backed securities and asset-backed securities, and he was most recently a member of the Investment Manager Team at Wellington for the Federal Reserve Bank of New York’s Mortgage Backed Securities Purchase Program (a $1.25 trillion dollar program to support financial markets). Mr. Zaldastani left Wellington in 2010 to pursue private investment opportunities.
Founded in 1969, ARC / Architectural Resources Cambridge is a nationally recognized architectural, planning and interior design firm.

From the beginning, ARC built its design practice by responding to the needs and concerns of clients. Success is directly related to the importance the firm places on clients' unique goals and objectives. The firm’s buildings and spaces are designed to:

- Meet the needs of each user in a functional and efficient manner;
- Blend historical, geographical and architectural context while clearly reflecting the building’s designated and perceived purposes;
- Promote sustainability and environmental responsibility; and
- Achieve budget and schedule objectives.

With an emphasis on design, the firm has garnered over 70 awards from a wide range of professional associations and publications.

ARC is dedicated to evaluating alternate design concepts for all of its projects with the goal of promoting sustainable and healthful environments as well as improving the building’s overall performance. To date, more than 65% of ARC’s professional staff are LEED (Leadership in Energy and Environmental Design) Accredited Professionals who are actively involved in the design and review of all projects – regardless of whether or not LEED Certification is being pursued – to promote sustainable standards for energy consumption, resource preservation and green environments. The success of ARC’s LEED approach and process is demonstrated by the firm’s numerous certified projects which include Gold, Silver and Certified level ratings. Additionally, ARC has signed onto the AIA 2030 Challenge in an effort to promote green office practices within our own firm.
Historic Modernization and Transformation: 
Arsenal on the Charles, Watertown MA (Watertown Arsenal Building 311)

From the shell of an abandoned arsenal building – built in 1917 and expanded in 1942 – a 21st Century office complex pays homage to its former life as “Artillery Hall.” Multi-story entry lobbies celebrate the volume of the space where seacoast guns, tanks and cannons were once manufactured. An original 50-ton Gantry crane located in the main lobby reinterprets the definition of corporate art.

Project photography by Warren Patterson, Nick Wheeler
Adaptive Reuse:  
Tufts University School of Dental Medicine, Boston, MA (Vertical Expansion)

The new 105,000 SF vertical expansion adds five floors on top of the existing 10-story 1972 Dental School building. This addition creates a distinctive new image for the School and marks the gateway to the Tufts Health Sciences Campus. The project includes two clinical patient floors, an enlarged simulation lab and teaching facilities for students, as well as a continuing education conference center and administrative offices. The expanded and improved facilities better position the Dental School to increase enrollment, hire more faculty and deliver on its tradition of community service, benefiting more than 20,000 patients annually from the City of Boston and the greater New England community.

LEED: Silver Certified

Awards: BSA Honor Award - Healthcare Facilities Design 2010; Building of America Award 2010; International Interior Design Association (IIDA) New England - Interior Design Awards 2010, Best Education Design

Project photography by Warren Patterson
Mixed-Use Development:
Rochester Institute of Technology, Rochester, NY (Global Village)

As part of RIT’s campus outreach to other countries, the new Global Village houses students from abroad as well as students who participate in international Co-op programs in apartment-style housing. The multiple building complex is organized around a central courtyard, designed to provide a space to promote outdoor activity. Supporting RIT’s initiative to create state-of-the-art housing, dining and lifestyle options, the Village features student amenities such as a restaurant, convenience store, copy center, mail/package facilities, and a fitness center, creating an urban feel for the complex.

LEED: Gold Certified

Awards: IIDA New England Interior Design Awards 2011 – Honorable Mention, Education
“btcRE is committed to developing beautiful spaces that can become landmarks. The construction partners and architects (all through btcRE!) have been incredibly professional, creative, and resourceful. btcRE has been exceptionally empathetic, collaborative, and supportive as our needs have grown.”

— Virginia White, Operations Lead, Formlabs

“PCI is confident that the btcRE development team would execute a highly successful development.”

— Paula Zaiken, Vice President, PCI
Industry Lab is an artful co-working space in Inman Square, Cambridge, Massachusetts. Inhabiting about 17,000 square feet of a lovely brick building with wood floors and lots of windows, it’s a place for artists, engineers, scientists, and designers to reside in proximity in the service of creating beautiful things. We are freelancers, groups, startups, and studios.

Industry Lab, also known as IL, is defined by its community of approximately 35 resident organizations and 90 individuals, over 50% of whom are Cambridge residents. IL's uniquely diverse membership spans everything from venture backed technology startups, such as the biotechnology device company Common Sensing, to artists in residence like Blake Brasher, whose work is currently on display in the lobbies of several Boston Properties locations in Kendall Square. Industry Lab is a second home to international businesses like NexPCB and RedPoint positioning; it was also the first home of companies that have grown internationally like 3D printing company FormLabs, now based in Somerville with its over 100 employees.

One of Industry Lab’s key goals is to maintain a careful balance of organization types such as startups, non-profits, freelancers, artists, professional firms and other stable, operating businesses. Organizations range in size from the sole individual to a maximum of about 15. Similarly, IL aims to maximize the breadth of specialty talents encompassed by its members. IL is home to graphic designers; software developers; publishing outfits; mechanical, electrical, and biotechnology engineers; photographers; musicians; attorneys; accountants; and many more.

Andrew Meyer is one of the two founders of Industry Lab and a lead individual in IL@Foundry. Rather than raise outside capital to quickly establish a new player in the Boston area co-working industry,
Andrew followed a strategy of organic growth from 1,200 square feet in 2011 to 15,000 square feet in 2014. This approach enabled a robust, diverse, and impressive community to form the roots of Industry Lab, making it one of the most unique coworking spaces in the state. At the helm of a small but rapidly growing organization, Andrew was responsible for all aspects of the real estate operations including tenanting, lease negotiations, financial planning, back office operations, and 7,000 square feet of renovations. Andrew stepped down from day to day operations in 2014 and appointed Carly Nix as IL’s current director. Andrew maintains an active advisory role to help manage the Inman Square location while now focusing his efforts on expanding the Industry Lab vision here in Cambridge in bringing IL’s uniquely community-centric approach to innovation and coworking to other markets in the United States.
Industry Lab is proud of its diverse community of artists, engineers, designers, and entrepreneurs. For more information on our resident organizations and individuals visit industry-lab.com/residents.

**Featured Residents**

**Common Sensing**

common-sensing.com

Common Sensing is making medical devices that empower patients with smart data to promote self-awareness, education, and social engagement. The first product in development provides a breakthrough solution for diabetes self-management that allows patients to better control use of injectable medicine. Common Sensing was founded in 2012 by MIT graduates Richard Whalley & James White. For inquiries, contact team@common-sensing.com.

**Jeff Lieberman**

Jeff Lieberman explores the connections between the arts, sciences, education, creativity, and consciousness. He hosted ‘Time Warp’ on the Discovery Channel, reminding us how little our senses detect and understand about reality. He composes music in the duo Knolls. He shows sculptures internationally, exploring our unseen interconnectedness and interdependence. Having finished four degrees at MIT (Physics, Math, Mech. Eng., Media Arts + Sciences), he is exploring how the evolution of consciousness can cease human suffering.
As Industry Lab expanded, the opening of each new suite was celebrated by transforming the newly renovated, and empty, spaces into temporary event venues. These were the few times a year that IL could be opened to the Cambridge community. Eventually, IL dedicated about 1000 square feet to a permanent event space. The space is used for everything from art openings to live music performances to board meetings. Now, the calendar boasts several evenings of programming every week and community engagement has become a critical feature of Industry Lab, with clear benefits to residents and non-residents alike.

**Brasher Opening**

blakebrasher.org

In 2014, Blake Brasher became Industry Lab’s first artist-in-residence, spending three months creating ambitious new work at his Industry Lab studio, punctuating his residency by transforming the event space into a gallery and hosting an opening. The residency and subsequent show became a model for Industry Lab, which has since provided free studio space to ten other artists for medium term residencies and exhibited the work of many others in its event space.

From his website: “Blake Brasher grew up in North Pole, Alaska and earned a B.S. in Art and Design from the Massachusetts Institute of Technology (M.I.T.) in 2003. He works part time as a robotics engineer at Google and maintains a painting studio in Boston, MA.

“On the canvas, Blake explores the physical and spiritual nature of life through color and movement. He believes the purpose of art is to help man find his place in the universe, and he considers a painting successful if it draws people into a state of meditative contemplation. His work is neither ironic, nor an attempt to shock anyone. It is a sincere expression of inquiry and discovery.”
Curious Sound Objects

curioussoundobjects.com

Created by IL resident Nickolas Chelyapov, “Curious Sound Objects was born out of a desire to establish an outlet for the various interactive sound forms coming out of Cambridge and Somerville in Massachusetts. It is now growing to include international artists. CSO showcases individual, or editioned, sound/sculptural works at the intersection of art and science. All of the works emit sound and typically respond to visitor interactions, and the shows are a celebration of self-expression through sound, making music, and community.

“The project also further extends the contemporary art landscape to include interactive works, and combines visual culture with music culture.”

Industry Lab is proud to have hosted the first CSO showcase, which included work by several other IL residents. A brief documentary about this incredible event can be viewed at curioussoundobjects.com/curious-sound-objects-vol-i.

Hacking Your Ideas Into a Business

cambridgehackspace.com/wiki/hacking-your-idea-into-a-business

One of IL's best attended events in recent years was organized by the Cambridge Hackspace and sponsored by General Motors,

From the event’s website: “We’ve all had big ideas, we’ve dreamt about building the ‘thing’ that we thought up last Tuesday in the pub, making a prototype, crowd funding the project, mass production, fame, fortune. However, in reality most of our projects don’t make it past the idea stage, and if we do manage to make a prototype, taking it further seems like a massive undertaking, one we rarely attempt. Is it the lack of time, direction, accountability, or being completely overwhelmed by everything you need to get done.

“We’re not promising fame or fortune, but we can show you how others have made the jump, and successfully taken their ideas further.”
Featured Artists

Co-working is typically viewed from the lens of technology and entrepreneurship, however the artists have a long history of sharing studio space and building communities. Since its founding, Industry Lab has always been a home of the arts: two of its founding organizations were art studios, Zigelbaum Coelho and Plebian Design, and the third was LeafLabs, a high technology startup. Apple computer has often marketed itself as a nexus of technology with the humanities, and the wisdom of that approach is clear to Industry Lab residents, they operate within that nexus every day. One if IL's best features is that many of the halls, walls, and conference rooms are decorated with the work of artists who have completed residencies or displayed their work in the event space gallery.

Tony Astone

tony-astone.squarespace.com

Tony Astone has hosted two shows at Industry Lab, including one of the first ever at IL to focus exclusively on visual fine art.

“Tony Astone is a short, simple artist who makes up for it by creating large, complicated paintings. His art touches on themes of history, religion, fiction, psychology, love, loss, dreams, nightmares, comedy, tragedy, and that thing you thought it was about… that too. His paintings create the sense of drowning in a world of overwhelming detail, unyielding complication, and immense stupidity.

“A structured narrative is built upon every purposeful detail, hoping to become more than the sum of those details. If it doesn’t, the forlorn paintings will be cut up and sold for parts.

“Tony Studied film, animation, and video at the Rhode Island School of Design (RISD) and has done a bunch of other stuff too, but he prefers to brag in person.

“His video-game credits include Rock Band 1, 2, and 3. Beatles Rock Band Dance Central 1, 2, and 3, Rock Band Blitz and the upcoming Fantasia: Music Evolved.”
Gerard Patawaran

gerardpatawaran.com

Gerard Patawaran is a visual artist / graphic designer born and raised in California currently living in Cambridge, MA with his wife and three cats. Please feel free to contact him by phone or computer or telepathy.

Industry Lab was proud to host Gerard for a 3-month residency and host his show “Known Pleasures”.

Zenovia Toloudi

dartmouth.edu/faculty-directory/zenovia-toloudi

“Zenovia Toloudi is architect, artist, and Assistant Professor at Studio Art, Dartmouth College. She has been research fellow at Harvard Graduate School of Design (GSD), and at MIT Art, Culture, and Technology (ACT). Her research builds on a cultural approach of technology, craftsmanship, and activism in architecture with installations that interplay with the physical qualities of space (air, light, sound) and their sensual perception (smell, vision, hearing) to enhance awareness and participation. Zenovia has received her doctorate from Harvard GSD, Master of Architecture from Illinois Institute of Technology, and Architecture Engineering Diploma from Aristotle University of Thessaloniki. Her doctoral dissertation, entitled On Architectural Taste and Identity: Experimenting with PICANICO Game, explores the creation of a new classification of architectural typologies that emerge from user preferences and how this compares to academic ones. She is recipient of a Fulbright Fellowship, and has received several other grants, awards, and prizes.”

“Photodotes III: Plug-n-Plant installation examines the relationship between architecture, technology, light, and plants. Plug-n-Plant is a modular structural system whose blocks are hybrids of water, light, and potential food volumes. The whole system acts both as a spatial element that brings natural light in dark spaces, and also as a living or edible structure. Plug-n-Plant seeks to redefine the nature – tectonic relationship where one does not erase the other but they simply co-exist and co-evolve. Plug-n-Plant was exhibited for 3 months as a solo exhibition at Industry Lab at Cambridge, MA. With Kristophe Diaz, Panagiotis Stamboulidis, and George Toloudis” zenovia.net/photodotes_III.html
Featured Sponsorships

Industry Lab currently has partnerships with Dassault Systèmes SOLIDWORKS Corp., as well as The Mathworks, Inc. (makers of MATLAB), who have graciously provided free software licenses, with a total value of more than $100,000, to Industry Lab residents. These sponsored tools are a critical resource to IL residents, and these vendors are at the forefront in understanding that although most of their customers are large corporations and institutions with deep budgets, world class work is being done by small startup teams and other individuals with access to powerful software.
Featured Meetups

Cambridge Hackspace

cambridgehackspace.com

Industry Lab has been home to the Cambridge Hackspace ever since it was founded by a handful of former IL residents who were working together at a publishing startup. They boast over 1000 members on meetup.com, but given the limitations of IL's 1000 square foot event space, attendance is limited at their weekly events.

“Cambridge hackspace is a bootstrapped maker space in the center of Cambridge, MA. During weekly meetings where we get together and make things. We have a small amount of dedicated space, where members and come along and work on their projects any day of the week....Our community has a common interest in making, building, computers, technology, craft, art. Members join not only to work on their projects, but to share knowledge and resources, to learn, and to be part of the growing community. We are a registered non profit, and are applying for our 501(c)3.”

Agaric Coop nights

meetup.com/agaric

“We meet to help one another explore, form, join, or improve businesses without bosses: worker cooperatives. Join us if you are interested in working for yourself but not working alone— nor in being someone else’s boss. This group is a regular show and tell for freedom-seeking employees, creatives, freelancers, business owners, jobless individuals, and entrepreneurs wanting to learn about and share work experiences applicable to working in a shared-ownership model. Those of us in worker cooperatives and collectives share our experiences and challenges and discuss ways to make our businesses and our lives better. Worker cooperatives are businesses owned and controlled by the people who work in them. They are a time-tested way to create quality jobs, and are gaining momentum as a strategy to build and anchor wealth in communities.”
Renovation

As it has expanded throughout the building, Industry Lab has returned over 7,000 square feet of underutilized or uninhabitable warehouse space to productive homes for artists and innovators. In order to protect the unique economics of the community and keep prices low, these renovations were completely self-financed and evidence an extremely efficient use of limited capital. Despite spending, in some cases, as little as $10/ft, the effects of decades of use as a warehouse were wiped clean to create a safe, vibrant, and productive atmosphere that is beloved by residents.

Before
In Progress

After
Additional Experience: LeafLabs

Andrew Meyer, in addition to leading the operational side of IL@Foundry, is also the President of LeafLabs, one Industry Lab’s largest and most prominent residents. Between 2009 and 2010, Andrew recruited four friends and fellow recent graduates from MIT to leave positions at SpaceX, VMWare, and PhD programs to start an R&D firm that would attack head-on one of the computer industry’s toughest modern challenges -- how to succeed in a world where transistors continue to get cheaper and smaller, but have stopped getting faster.

LeafLabs was armed with first class backgrounds in distributed computing, FPGAs, embedded systems, machine learning, and operating systems; $40k from friends and family; and a huge network of contacts around MIT. In six years, Andrew has led the team to over $4M in annual revenue and a headcount of 20. Together they have tackled over a dozen projects, each one more ambitious and high profile than the last.

In 2013, Google teamed up with LeafLabs and others to build the most innovative mobile device since the iPhone: the fully modular smartphone, Project Ara. LeafLabs continues to play a critical role for Google, coordinating the efforts of dozens of engineers around the world to conceive of and implement the digital aspects of the phone.

Collaborating with the Boyden Lab at MIT and the NIH, LeafLabs formed its Neuroscience group in 2012 to build the next generation tools for observing and interacting with neural tissue in-vivo. LeafLabs’ first product in this space is a 1Gbps electrophysiology system capable of capturing, processing, and storing real time data from 1000 neurons simultaneously - nearly an order of magnitude more than any existing commercial system and achieving an order of magnitude reduction in cost. LeafLabs is now working on building the largest lightfield camera ever made, helping to understand the brain through imaging.
Advisor Experience: Meyer Jabara Hotels

meyerjabarahotels.com

William Meyer is the lead advisor to IL@Foundry’s operational team. William is presently Chairman of Meyer Jabara Hotels with offices in Danbury, Connecticut and West Palm Beach, Florida. Since 1978, he and Richard Jabara have expanded their hotel portfolio to include 21 hotels with nearly 4,000 rooms in 10 states. The hotels range in size from 38 rooms to 500 rooms and are operated under licenses from Marriott, Hilton, Sheraton, Intercontinental and Hyatt. Andrew Meyer and William Meyer have enjoyed a special partnership for 28 years, having built a strong foundation of trust around the family dinner table. The two Meyer’s have a proven track record of successful collaborations, starting with early wins in walking and bike riding. Despite mediocre outcomes in throwing, catching, and the golf initiative, the Mr. Meyer and Andrew Meyer are proud to be working together once again on IL@Foundry.

Selected Project: 88 Exeter Street, Boston, MA

88 Exeter was built in 1890 and opened its doors as Exeter Chambers in 1891. The Industrial Revolution was underway and there were not enough young men to manage the people and processes of the industry. Businesses encouraged entrepreneurs to find ways to entice young men into the cities and off the rural farms. Exeter Chambers was built to serve as a home away from home for young men with big dreams.

The style of Exeter Chambers, with its spacious receiving rooms and ample bedrooms, was truly a coveted address. Each apartment had two restrooms with claw-foot tub, elegant marble floors and individual fireplaces with intricately hand-carved mantels of solid wood. Floor-to-ceiling windows, often with curved bays and window seats, allowed the residents of Exeter Chambers to peer down to the bustling streets below. Hand-cast wrought iron railings framed each room with European flavor and charm.

By the year 2000, Exeter Chambers had fallen into disuse and was in desperate need of rehabilitation. Meyer Jabara took on this challenge and oversaw the design and construction of a complete renewal of this designated landmark, returning the property to productive use and an asset of the Back Bay community. The exterior was completely renovated to historical standards along with a total interior refit and an addition of three new floors. In May 2004, Meyer Jabara Hotels reopened the doors of the completely revitalized 88 Exeter Street as the Courtyard by Marriott, Copley Square. The Exeter Chambers is now a preferred boutique hotel offering 81 attractive guest rooms and suites designed for ultimate relaxation and comfort, with oversized windows, plush sofa chairs, and a range of unexpected amenities designed with each guest’s needs in mind.
Selected Project: The Inn at Hendersons Wharf, Baltimore, Maryland

The #1 Hotel in Baltimore, as rated by Trip Advisor Situated on a secluded cobblestone street in a quiet corner of Fell’s Point and located in a historic building that was once home to a tobacco factory, The Inn at Henderson’s Wharf is an award-winning luxury hotel on the city’s historic waterfront and a jewel in the Meyer Jabara portfolio.

Selected Property: Cambria Suites, White Plains, New York

The brand new Cambria hotel & suites White Plains® is an all-suite hotel located in downtown White Plains, NY, which is in the heart of shopping, restaurants and other attractions. The hotel was built with business in mind and is located within minutes of IBM, PepsiCo, JP Morgan, Heineken, and MasterCard. Cambria Suites also features a business center, three meeting rooms as well as banquet and conference spaces.

Meyer Jabara (MJ) led all aspects of this ambitious development project and, addition to operating the hotel, currently manages the building, which includes tenanting of its two stories of retail. The expansive scope of the White Plains project called for nearly every MJ department to contribute, exercising each of its core competencies including:

- Hotel Construction Management
- Interior Design
- Franchise Relationship Management
- Real Estate Law
IL Team

- Risk Management
- Revenue Management
- Hospitality Marketing

Choice Hotels International, Inc, one of the world’s leading hotel companies, named Meyer Jabara Hotels the winner of its 2014 Premier Developer Award, recognizing the firm’s commitment to the highest levels of excellence in hotel development and its proven track record as an outstanding partner to Choice Hotels. The White Plains project and Meyer Jabara has been a critical asset to Choice in helping to establish the Cambria Suites brand.

Tx/Rx Labs

txrlabs.org

After moving to Houston to practice law in early 2010, Mr. Baker, one of IL@Foundry’s lead individuals, became a member of TX/RX Labs, a nonprofit makerspace. At the time, TX/RX had fifteen members and was leasing 200 square feet in another Houston coworking space, the Caroline Collective. Recognizing the potential of a well-equipped community workshop, Mr. Baker and his partner leased 4,000 square feet of warehouse space in Houston’s underdeveloped east side and subleased it to TX/RX, subsidizing its rent while it gained new members, accumulated donated tools and developed an educational curriculum. By 2012, TX/RX had gained over 100 members, mostly local engineers, artists, musicians, software developers, inventors and tinkerers, and was offering classes on welding, soldering, CNC plasma cutting, ceramics, bike repair and other topics. Today, TX/RX is one of the largest makerspaces in the world, with over 250 members in 30,000 square feet of industrial space. It has remained in Houston’s East End, where it continues to serve the local community.
btcRE is exceptionally qualified to serve as the Development Entity of The Foundry as a niche real estate investment firm with a specific focus on projects that match the scope, scale and urban infill location of The Foundry. btcRE has successfully redeveloped a similar asset, 35-37 Medford Street in Somerville, proving its ability to transform a deteriorated, underutilized asset into a modern, inviting work environment that has attracted a diverse tenant base, ranging from large technology and creative economy firms to small non-profits and sole proprietors.

The firm maintains a disciplined strategy to pursue only a small number of complex renovation projects, enabling it to add maximum value by bringing a local, hands-on, day-to-day executive-level presence throughout all stages of construction and operations. Co-Founder and Managing Partner Brian R. Iammarino, CFA, MPP oversees btcRE’s real estate investment and development projects, drawing on extensive background in private equity real estate investing and institutional real estate consulting. His experience and expertise in general finance and complex investment structuring further provides btcRE the capability to formulate and execute intricate financial strategies in the commercial real estate sector. At the same time, his passion for urban public policy and community engagement results in a well-rounded approach
to real estate investment that is privately funded and operated, yet sensitive and responsive to public needs.

btcRE's redevelopment of 35-37 Medford Street, described below, illustrates the firm's ability to implement this strategy and successfully transform a deteriorated, underutilized asset that is similar to The Foundry in many respects. Additional information about Mr. Iammartino's experience follows the case study.
Experience and Qualifications

As Managing Partner of btcRE LLC, Mr. Iammartino leads all day-to-day operations of the firm. His work includes investment sourcing and evaluation, structuring of acquisitions and financings, tenant leasing and marketing, budgeting and financial reporting, and close oversight of all construction activity and building operations. Mr. Iammartino brings to this role deep knowledge and expertise in commercial real estate investing and consulting, complemented by broad skills and experience in general finance, complex investment structuring, urban public policy, and community engagement.

Prior to co-founding btcRE, Mr. Iammartino worked from 2006-2011 for Westport Point Capital, a private equity real estate firm that completed $179 million in Boston office acquisitions during Mr. Iammartino’s tenure, and for Harvest Capital Partners, an institutional real estate advisory firm for which Mr. Iammartino completed consulting assignments across all major property types and markets around the country. Mr. Iammartino began his career in 2000 with The Blackstone Group in New York, where he performed comprehensive investment due diligence, financial analysis and portfolio monitoring for complex capital investments, such as subordinated loans, preferred equity, common equity, and equity warrants and options. Mr. Iammartino moved to Boston in 2004 to attend the Harvard Kennedy School, where he developed a passion for urban public policy and community engagement. He has remained active in the field of public policy as a frequent guest-lecturer on topics related to public budgeting, finance and urban policy, and as an author and contributor to Harvard Kennedy School case studies and other published works on similar topics.

Mr. Iammartino is active in industry associations such as the Urban Land Institute, serves on the Board of the Somerville Chamber of Commerce, and is a proud volunteer for organizations including the YWCA Boston, Jumpstart, and Italian Home for Children. He is a graduate of the Wharton School of the University of Pennsylvania (Bachelor of Science summa cum laude) and the Harvard Kennedy School (Master in Public Policy), and a CFA charterholder, and a published author.

Roles and Responsibilities

btcRE maintains a disciplined strategy to pursue only a small number of complex renovation projects at any given time. This gives Mr. Iammartino the ability to add maximum value by bringing a hands-on, day-to-day executive-level presence throughout all stages of investment structuring, construction, leasing, and
operations. If btcRE were selected to work on The Foundry, the project would be the firm’s highest priority and largest commitment of time and resources. btcRE believes that this high level of executive-level involvement and targeted firm focus differentiates btcRE from competitors, enhances the efficiency of construction activities and property operations, improves marketing and tenant leasing efforts, and ensures responsiveness to tenants, community members and other stakeholders.

Roles and responsibilities of the project Developer are expected to include:

- Assembling a best-in-class development team of professional service providers (architect, general contractor, legal, etc.)
- Negotiating and executing sublease with the CRA
- Sourcing, structuring and executing equity, debt and other financing
- Preparing a realistic and efficient renovation budget and schedule
- Overseeing the creation of conceptual, schematic, and construction drawings for base building renovations and tenant build-outs
- Coordinating necessary permitting, variances, etc.
- Monitoring construction activity in progress, and responding to unexpected conditions, change orders, and information requests
- Frequently visiting the site to review construction progress (two times per week, at minimum)
- Branding the building and marketing to prospective tenants
- Negotiating and executing leases with tenants, and monitoring tenant build-outs
- Overseeing all base building operations, such as annual operating budgets, bookkeeping, vendor selection, and tenant relations
- Preparing financial and other reports, as required by the City, CRA, lenders and investors
- Engaging with community members before, during and after renovation
btcRE Team

CASE STUDY
35-37 MEDFORD STREET,
SOMERVILLE, MA
2012-2015

Property: 35-37 Medford Street, Somerville, MA
Submarket: Union Square
Size: 53,347 SF
Year: Acquired 2012
Cost Basis: $4,200,000
Equity Financing: High net-worth individuals and family offices
Debt Financing: Initial – Local private loan fund; Refinancing – Local bank
Project Overview: http://www.chap-con.com/news/583

btcRE has substantially completed and stabilized its first redevelopment project: 35-37 Medford Street, a historic, brick-and-beam office building just outside of the Union Square neighborhood of Somerville, MA. Similar in scale and scope to the desired renovation of The Foundry, the project entailed a comprehensive renovation of all major base building elements, with simultaneous new build-outs of most tenant suites. btcRE formed an equity investor group and secured debt financing to purchase the building for $4.2 million in December 2012, and has since completed $3.8 million of renovations, funded through creative debt sources and additional investor equity. As of September 2015, btcRE has brought the building to ~100% occupancy with a diverse mix of commercial tenants.

Mr. Iammartino was heavily involved in directing and overseeing all day-to-day aspects of the building’s renovations and operations, supported by a best-in-class team of professional service providers and advisors. The firm’s collaborative, creative and transparent approach helped it respond successfully to the challenges of hidden conditions inherent in the renovation of a 130-year-old structure and of performing heavy construction in an occupied building, focusing always on maintaining and highlighting the building’s historic elements.

Existing Conditions at Acquisition: Long-term underinvestment and deterioration

35-37 Medford Street was originally constructed in the 1880’s as one of several structures comprising the Charles H. North Packing and Provision Company meat packing complex. Together with the nearby John P. Squire & Company facility, Somerville was home to one of the largest meatpacking industries in the world. According to the Massachusetts Cultural Resource Information System, the Charles H. North meat packing plant was the city’s largest industry, was said to be the largest packing business east of Chicago, and was called “the most complete packing house in the world” (http://mhc-macris.net/).
35-37 Medford Street is one of the few structures that remains today from this significant period in Somerville’s history. They were two buildings, which were combined at a later date. The buildings were home to supporting services for the meat packing operations, such as general offices, a wholesale and retail market, and horse stables, with wagons on the first floor, horses on the second floor, and feed on the third floor. The buildings were constructed in the brick-and-beam style of the day, including distinctive steel trusses, heavy timber supports, a thick masonry façade, and high ceilings with abundant natural light.
Prior to btcRE’s acquisition of 35-37 Medford Street in December 2012, the property had been family-owned since the 1970’s. The prior owners had completed renovations in the 1980’s to convert the building from its historic use to a functioning office building but invested little capital in the building since then. Lack of ownership focus and years of underinvestment led to significant deterioration of the asset, low occupancy, and numerous building code violations.
Approach to Construction and Operations: Collaborative, creative, and transparent

Recognizing an opportunity to revitalize an underutilized asset in a desirable, urban infill location, btcRE pursued 35-37 Medford Street as its first redevelopment project. As Managing Partner, Mr. Iammartino leads all of btcRE’s activities and is personally involved in all phases of day-to-day building operations, construction work, leasing activity, tenant relations, financial reporting, and community involvement. btcRE focuses on only a small number of local projects so that Mr. Iammartino can bring a strong, hands-on presence to each project.

To execute these activities effectively, the firm has embraced a team-based approach of collaboration, creativity, and transparency. From the outset of the project, btcRE assembled a best-in-class team of professional service advisors, including Chapman Construction/Design (general contractor), ARC/Architectural Resources Cambridge and Packard Design (architecture), Horgan & Associates (property management), Goulston & Storrs (legal), DiCicco Gulman & Company and Supporting Strategies (accounting and bookkeeping), and Colliers International (financial advisory). The firm also routinely seeks input and feedback from tenants, prospective tenants, neighboring businesses, representatives of the City of Somerville, and community groups such as the Somerville Chamber of Commerce and Union Square Main Streets.

btcRE believes that this approach is critical to overcoming the challenges of a complex project, such as the renovation of 35-37 Medford Street. The firm completed the extensive renovation program outlined below while the building was partially occupied, leading to times of significant disruption to existing tenants. Mr. Iammartino’s personal presence at the building and direct, frequent communication with the general contractor, property manager, and tenants helped assuage tenant concerns and maintain strong tenant relations. Similarly, the renovation program required several relocations of existing tenants within the building, significant flexibility for certain tenants to change in size over time, and the maintenance of acceptable building facilities at all times (restrooms, emergency egress, etc.). Working closely with tenants and the construction team, btcRE was able to coordinate a complicated sequence of tenant relocations, expansions, and building upgrades that met tenant needs, while achieving base building renovation goals. Finally, Mr. Iammartino’s involvement in key marketing efforts and tenant tours helped differentiate the building from competitors to attract and retain tenants.

This approach helps the team quickly respond to the unforeseen conditions inherent in projects of this nature. The general contractor, architect and property manager were in the room together from Day 1, helping to efficiently refine the project scope, manage the project budget, and anticipate challenges. When unexpected conditions were encountered, lines of open communication ensured that they were discussed as soon as possible, and Mr. Iammartino’s hands-on approach allowed the team to quickly and creatively address them. Please watch the video below and see the included reference letter from Virginia White, Operations Lead of Formlabs, for highlights of btcRE’s approach:

http://www.chap-con.com/news/583

Project Financing: Structuring from scratch

As a new organization, btcRE built from the ground up the legal, organizational and financial structures necessary to undertake this project.

Equity financing

btcRE created a single-purpose limited liability company, 35-37 Medford Street LLC, to own and operate the asset. The project’s equity investors are limited partners who hold membership units in this entity, while Mr. Iammartino (through btcRE) serves as Managing Member of the entity, with authority to oversee the majority of the entity’s activities (e.g., entering into contracts, signing tenant leases, setting capital and operating budgets, etc.).
True to the firm’s collaborative and transparent approach, btcRE structured the Operating Agreement that governs 35-37 Medford Street LLC with a strong focus on alignment of interests with equity investors and on fair, reasonable business terms. Mr. Iammartino and Mr. Gorman have “skin in the game” through a co-investment in the partnership, and an incentives-based profit-sharing arrangement ensures that btcRE only earns compensation upon the successful performance of the business plan. Further, the Operating Agreement gives equity investors the right to vote on two major decisions: 1) selling the building and 2) incurring debt on the building. This is a non-standard term that btcRE voluntarily incorporated to give investors a greater say in key business decisions.

The equity investors in 35-37 Medford Street LLC are a diverse group of high-net worth individuals and family offices, varying in size of investment, location, and line of work. Many are local to the Greater Boston area and come from fields such as private equity and venture capital, while others hail from around the country and around the world. btcRE carefully cultivated its investor base to target investors who it believes are dedicated to the btcRE platform and will invest in future btcRE projects, such as The Foundry.

Debt financing

With equity financing in place, btcRE explored a wide range of sources for debt and other financing, with a particular focus on local banks, as well as alternative sources of funding such as Historic Tax Credits (“HTCs”) and New Markets Tax Credits (“NMTCs”). While neither HTCs nor NMTCs were applicable or advantageous to the project, btcRE secured a debt facility from the Boston-based Property and Casualty Initiative, LLC (“PCI”), a non-traditional real estate lender with the core purpose to provide loans that promote economic development. Please see the included reference letter from Paula Zaiken, Vice President of PCI.) PCI was an ideal financing source given its mission-driven approach to fund projects that are both economically viable and expected to have a positive, revitalizing community impact. btcRE was also attracted to PCI’s local presence, its small, entrepreneurial team, and its proactive asset management strategy, all of which were in line with btcRE’s own approach to real estate investment and development. PCI’s principals were closely involved throughout the entire process, from structuring an appropriate debt facility at the outset to ongoing construction overview and performance evaluation. btcRE and PCI acted in true partnership, helping construction proceed smoothly through the changing circumstances typical of any comprehensive renovation of a historic building.

The debt financing for 35-37 Medford Street was structured as an initial acquisition facility of $3.15 million, plus a $2.15 million construction facility to finance renovation costs, for a total facility size of $5.3 million. The debt program allowed for a two-year construction period to complete renovations and lease-up, followed by a five-year stabilized term. The financing incorporated traditional lending terms such as minimum cash balances, required reserves, periodic reporting, and financial covenants upon stabilization. Mr. Iammartino and Mr. Gorman also demonstrated their strong commitment and dedication to the project by providing personal financial and construction completion guarantees. Over the course of approximately 24 months, btcRE proceeded with construction and drew the full loan facility.
Refinancing

The renovation, lease-up and value creation achieved by btcRE greatly exceeded expectations, but rather than immediately “flipping” the property, btcRE and its investors remained committed to the asset and to the Somerville community by seeking a refinancing of the PCI loan with a new, long-term loan facility. For this process, btcRE engaged a third-party mortgage advisor, Colliers International. Colliers helped canvas a diverse group of lenders, including local banks, national banks, insurance companies, and commercial mortgage-backed security (“CMBS”) lenders, and the project received very strong interest from a variety of sources. Again, btcRE chose to work with a local lender, Cambridge Trust Company, in part due to Cambridge Trust’s local market knowledge and relationship-based approach. The refinancing was completed in May 2015, at which time the first mortgage loan from PCI was fully paid off. btcRE is now positioned to continue to hold 35-37 Medford Street for the long-term in partnership with a strong, local lender.

Life safety systems

- New fire alarm system with new panels, exit signs, lights, strobes, pull boxes and conduit throughout, including all related electrical and tie-ins to monitoring company and Somerville Fire Department
- Sprinkler system upgrades, including new sprinkler heads, branch lines, and tie-in to new fire alarm system
- Final as-builts coordinated with all tenant fit-outs

Base Building Renovations: A comprehensive redevelopment program

After assembling the team and acquiring the asset, btcRE embarked on a comprehensive renovation program to revitalize the building, meet the diverse needs of today’s users, and address building code violations and deficient conditions. At the same time, btcRE was sensitive to the historic character of the building, and retained and highlighted unique historic elements. The base building renovation program consisted of the following key elements, at a total cost to date of $2.5 million.

HVAC systems
• New rooftop ERV unit (none previously existing), including all necessary structural steel support, roof patching, plumbing, and electrical
• New rooftop Cooling Towers, including removal and replacement of both existing Cooling Towers, all necessary structural steel support, welding, roof patching, plumbing and electrical
• New ductwork and grillage throughout common areas
• Heat pumps, ductwork, plumbing and electrical in tenant areas replaced and/or upgraded as necessary

Restrooms

• Creation of new restrooms, including demolition of existing restrooms, new framing, partitions, ceilings, fixtures, finishes, and all associated mechanical, electrical, and plumbing
• Fully ADA-accessible interiors
• Janitor’s closets with mop sinks on all floors
• Shower room for tenant use on Floor 1

Elevator

• Complete modernization of existing elevator, including new controller, power systems, sensors, door systems, and emergency systems
• Creation of new interior common corridors, brick masonry openings, and doorways to improve building circulation, access, flexibility, and emergency egress
• New glass and aluminum entryway at main front entrance

Common areas and building layout
Cosmetic upgrades to all existing corridors, lobbies and common areas, including new paint, flooring, lighting and artwork

- Creation of new shared lounges within building, including partitions, paint, flooring, lighting, and HVAC service
- Creation of new roof terrace at southeast corner of building, including mahogany deck and galvanized steel railing

**Building shell**

- Creation of new roofs on north and southeast portions of building, including demolition of existing, new EPDM membrane system, head house, and coping, and other repairs, infills and patchwork, as necessary
- Brick masonry façade repairs, including cracks, bulging bricks, flashing, re-pointing
- Repair/replacement of fenestration components, as necessary

**ADA Accessibility**

- New exterior access ramps for front and back entrances
- New interior access ramps to accommodate elevation changes within building
- New steel pipe rails, treads, and risers for all interior and exterior stairs, as necessary
- All other upgrades fully ADA-accessible

**Structural**

- New framing, reinforcements, and replacements of structural members, as necessary
- Bracing of roof parapets

**Tenant Build-Outs: Renovating suites for modern, flexible uses**

At the time of btcRE’s acquisition, 35-37 Medford Street was permitted for occupancy, but years of neglect and underinvestment had left the building
largely vacant (less than 60% occupied) and unattractive to prospective tenants. The base building renovations described above served to address many of these issues, but most tenant suites were also in need of significant upgrades and modernization. Since acquisition, btcRE has increased occupancy from less than 60% to ~100%, thanks to over 34,000 SF of new and renewal tenant build-outs completed, at a total cost to date of $1.3 million.

Common elements of tenant build-outs at 35-37 Medford Street include:

- Layout: New or relocated kitchens, conference rooms, offices, open spaces
- Electrical and tele/data: New systems to serve modern needs, including wireless technologies
- Heating and cooling: New or upgraded units, redesigned as necessary to serve new layouts
- Finishes: New paint, flooring, window treatments, etc.
- Life safety: Fire alarm, emergency signs and lights, sprinkler system upgrades
- Building code: All build-outs fully-permitted and code-compliant

To attract and retain tenants, the firm approaches tenant build-outs with the same goals of collaboration, creativity and transparency with which the firm approached the base building renovations. Tenants are generally provided turn-key build-outs, in which btcRE manages the design, budgeting, and construction process, allowing tenants to focus on their core businesses. btcRE works closely with tenants throughout this process, giving them the opportunity to provide feedback, make custom requests, review design documents, attend project meetings, and monitor work in progress. Please see the included reference letter from Virginia White, Operations Lead of Formlabs for a testament to btcRE’s approach.

This collaborative approach has allowed 35-37 Medford Street to successfully complete build-outs for a wide range of tenants with a variety of uses, budgets, and needs, including:

- Open office concept – The majority of tenants at 35-37 Medford Street have gravitated towards open office configurations, especially “creative economy” users such as technology firms. Open office concepts are similar to co-working environments, characterized by flexible floor plans with wide open workspace configurations (limited private offices or cubicles), access to private conference rooms and phone booths for meetings and team huddles, and shared amenities such as full-sized kitchens and lounge areas.
• Traditional office concept – Other tenants have retained a traditional office configuration, with private offices, conference rooms, waiting / reception areas, and smaller kitchenettes.
• Light laboratory / research & development:
• Many tenants at 35-37 Medford Street are part of the burgeoning “maker” community – firms that create tangible products (often utilizing complex engineering and innovative processes), as opposed to “intangibles” such as professional services. These tenants require flexibility to conduct testing and prototyping, and btcRE has worked with them to creatively incorporate these uses into their spaces.

Historic Elements & Public Benefits

btcRE is proud of 35-37 Medford Street’s historic significance as an architecturally distinctive property and one of the last remaining buildings from Somerville’s renowned meatpacking industry. Throughout the renovation, btcRE has sought to repair, retain and highlight historic features wherever possible, such as exposed original ceilings, trusses, and structural systems. The main entrance to the building needed to be demolished and replaced to meet ADA accessibility requirements, and btcRE oversaw the design of a new, glass and aluminum front entrance that mirrored the design and aesthetic of the original wood entrance. The firm has salvaged historic items such as pulleys, hooks, lights, and the wood from the original entrance for creative re-use, and prepared
literature and marketing materials to convey the building’s history.

As an existing building renovation that required no special zoning and limited special permitting, btcRE was not legally required to undertake extensive public engagement. However, the firm strongly believes that engaging with the community is beneficial to an asset revitalization project, even if not necessarily legally required. btcRE sought feedback from tenants, City officials, and community groups such as Union Square Main Streets and the Somerville Chamber of Commerce. As a result, btcRE included renovation elements that might not have been undertaken otherwise, such as new and upgraded exterior lighting, landscaping improvements, and a bicycle storage room, all of which have enhanced the streetscape around the building.

Results: A revitalized, fully-renovated and fully-leased asset serving a diverse tenant mix

As of September 2015, the renovations of 35-37 Medford Street have been substantially completed, and the building is ~100% leased. Formerly a downtrodden and underutilized property, 35-37 Medford Street is now a modern, inviting work environment. btcRE’s renovation program and flexible tenant build-outs have helped attract a diverse tenant base, including computer hardware and software firms, cleantech innovators, a biotechnology company, professional service providers, designers and architects, and non-profit organizations providing a range of community services. btcRE is proud to have revitalized this unique asset, bringing a new vibrancy to the building and new energy to the surrounding neighborhood of shops, restaurants, and retail services.
Prior to founding btcRE LLC, Mr. Iammartino was Vice President (2008-2011) and Senior Associate (2006-2008) of Westport Point Capital, a private equity real estate investment firm focused on “value-add” office acquisitions in the Greater Boston market. “Value-add” acquisitions require renovations, lease-up, marketing and other improvements to generate enhanced building value, similar in nature to the work required for 35-37 Medford Street and The Foundry. Over the course of Mr. Iammartino’s time at Westport Point Capital, the firm completed $179 million in acquisitions, accumulating a portfolio of over 650,000 SF with $128 million in debt financing.

For most of his tenure at Westport Point Capital, Mr. Iammartino was the only full-time employee at the firm. He reported directly to the firm’s two founders and principals, Mary Lou Boutwell and Erin O’Boyle, and was closely involved in all aspects of the firm’s real estate operations. He played a key role in all of the firm’s acquisitions, dispositions, financings, and portfolio management activities, including conducting financial analysis, coordinating due diligence and construction activities, negotiating legal agreements, analyzing capital structure alternatives, formulating leasing strategies, reviewing capital and operating budgets, and preparing and coordinating monthly, quarterly and annual reporting to lenders and investors. He helped oversee teams of property managers, architects, contractors, attorneys, leasing agents and other real estate professionals to execute the firm’s value-add strategy. Highlights of Mr. Iammartino’s work at Westport Point Capital are included below.

### 27-43 Wormwood Street (also known as Tower Point @ A Street), Boston, MA

- **Property:** 27-43 Wormwood Street, Boston, MA
- **Submarket:** Seaport District
- **Size:** 153,812 SF
- **Year:** 2006
- **Cost Basis:** $18,560,000
- **Equity Financing:** Institutional capital
- **Debt Financing:** Insurance company

27-43 Wormwood Street is a brick-and-beam, former industrial property located in Boston’s Seaport District. It is a particularly relevant example given the similarities to The Foundry with respect to age, building type, and extensive scope of renovations. The property was acquired with high vacancy and in need of significant structural and façade work, as well as other base building improvements and tenant build-outs.
The renovation program included:

- Foundation/structural: Excavated and reinforced/replaced structural piles
- Façade: Tuckpointed and caulked building and smokestack
- Lobby: Upgrades such as new flooring, security office, and ADA access
- Landscaping: Additional green space, new lighting, parking redesign
- Tenant Build-Outs: Demolition, partitions, flooring, ceilings, MEP, finishes

Following the successful renovation and lease-up of 27-43 Wormwood Street, Mr. Iammartino was involved in the disposition of the asset and the pay off of the first mortgage loan on the property.
## Other Assets

<table>
<thead>
<tr>
<th>Property</th>
<th>Submarket</th>
<th>Size</th>
<th>Year</th>
<th>Cost Basis</th>
<th>Equity Financing</th>
<th>Debt Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property: 70 Franklin Street, Boston, MA</td>
<td>Submarket: Financial District</td>
<td>Size: 89,000 SF</td>
<td>Year: 2006</td>
<td>Cost Basis: $21,500,000</td>
<td>Equity Financing: Institutional capital</td>
<td>Debt Financing: None</td>
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<tr>
<td>Property: 535-545 Boylston Street, Boston, MA</td>
<td>Submarket: Back Bay</td>
<td>Size: 190,702 SF</td>
<td>Year: 2007</td>
<td>Cost Basis: $77,000,000</td>
<td>Equity Financing: Institutional capital</td>
<td>Debt Financing: None</td>
</tr>
</tbody>
</table>
Harvest Capital is an SEC-registered real estate consulting firm advising large institutional investors such as pension funds. The two co-founders and principals of Westport Point Capital are also the co-founders and principals of Harvest Capital. As such, throughout the period that Mr. Iammartino worked at Westport Point Capital, he also worked at Harvest Capital.

Harvest Capital provides a broad range of real estate consulting services, including advice on property-level decisions, such as acquisitions, dispositions, financings and operations, and portfolio-level strategy, such as asset allocation, investment manager selection and evaluation, and investment guidelines and benchmarking. During Mr. Iammartino’s tenure at Harvest Capital, his assignments covered all major property types (multifamily, office, retail, industrial and hotel) in markets located around the country for a pension fund with a real estate portfolio of ~$2.0 billion.

Like in his role at Westport Point Capital, Mr. Iammartino was closely involved in all aspects of Harvest Capital’s activities. He conducted detailed financial analyses and reviews of assets, portfolios and industry data, prepared client presentation materials, and helped synthesize strategic recommendations. This high-level exposure to multiple asset classes, real estate markets and investment strategies gives Mr. Iammartino a holistic, broad-based perspective from which to approach the much more narrowly-focused investment and development activities of btcRE.
ADDITIONAL EXPERIENCE

COMPLEX INVESTMENT STRUCTURING AND FINANCE

In addition to his work in commercial real estate investment and development, Mr. Iammartino has significant expertise in general finance, particularly complex structuring of private investments. This expertise informs and enhances Mr. Iammartino’s ability to formulate and execute intricate financial strategies in the commercial real estate sector.

Credentials

Mr. Iammartino holds a BS in Economics summa cum laude from the Wharton School of the University of Pennsylvania, where he concentrated in Finance and Accounting. His coursework at the Wharton School included undergraduate and graduate-level courses in equities, fixed income, portfolio management, managerial accounting, and accounting for complex financial structures.

Mr. Iammartino is also a CFA charterholder, and a member of the Boston Security Analysts Society chapter of the CFA Institute. The CFA mark is a globally recognized standard of professional excellence, education and ethics in the investment management industry, and the CFA Institute is the world’s largest association of investment professionals.

Experience

Mr. Iammartino began his career in the Mezzanine finance area at The Blackstone Group, a leading global alternative investment manager and financial advisor. The Mezzanine Group specializes in providing complex capital solutions such as subordinated loans, preferred equity, common equity, and equity warrants and options in connection with leveraged buyouts, mergers and acquisitions, recapitalizations, growth financing and other corporate transactions. As an Analyst in the Mezzanine Group, Mr. Iammartino performed comprehensive investment due diligence, financial analysis and portfolio monitoring. At the time of Mr. Iammartino’s employment, the Mezzanine Group operated a ~$2.0 billion investment fund, and Mr. Iammartino was directly involved in transactions totaling nearly $500 million.
Drawing on his expertise in finance, Mr. Iammartino co-authored the book *Getting Started in Security Analysis, 2nd Ed.*, which was published by John Wiley & Sons in 2009. Part of the popular “Getting Started In…” series, the book is an introductory financial text, covering accounting, economics, statistics, equity analysis and valuation, fixed income analysis, real estate, and investment portfolio management.

**URBAN PUBLIC POLICY AND COMMUNITY ENGAGEMENT**

Mr. Iammartino complements his private sector expertise in commercial real estate and finance with a strong background in and a passion for urban public policy and community engagement. He brings this perspective to his work in the private sector, resulting in a well-rounded approach to private real estate investment that is sensitive to public needs and driven by a true desire to bring about successful urban revitalization.

**Credentials**

Mr. Iammartino holds a Master in Public Policy from the Harvard Kennedy School, where his coursework focused on urban policy, economic development, public finance, and public leadership and management. He was a Teaching Fellow for a graduate-level course in public budgeting and financial management, for which he won the Dean’s Award for Excellence in Student Teaching. He was also awarded the Taubman Center Urban Prize for his policy analysis of community development venture capital.

**Experience**

Mr. Iammartino has remained active at the Harvard Kennedy School as a frequent guest-lecturer on topics related to public budgeting, finance and urban policy, and as author and contributor to Harvard Kennedy School case studies on similar topics. He contributed to the New York Times bestseller *The Three Trillion Dollar War: The True Cost of the Iraq Conflict* (W.W. Norton & Company, 2008), for which he helped develop the financial model used in the cost calculations for the book, and to the Robert Wood Johnson Foundation Report *Workers Who Care: A Geographical Profile of the Frontline Health and Health Care Workforce*, published in 2006. In the summer of 2005, Mr. Iammartino served as a management consultant to the USU.S. National Park Service, for which he lived and worked at the Flagstaff Area National Monuments in Flagstaff, AZ.
Community Engagement

Mr. Iammartino currently serves on the Board of Directors of the Somerville Chamber of Commerce, helping to promote and advance the City of Somerville, and he previously served on the Finance Committee of the YWCA Boston. Mr. Iammartino is a proud volunteer for organizations such as the Neighborhood of Affordable Housing, Jumpstart, and Italian Home for Children.

Mr. Iammartino is also active in real estate industry organizations such as the Urban Land Institute (ULI) and the Real Estate Finance Association (REFA). Mr. Iammartino currently serves on the Urban Development Council of the ULI and has previously volunteered for ULI’s UrbanPlan program, an educational experience for high school and college students in the Boston area.
“The project [35-37 Medford Street], in all aspects, was handled with absolute integrity and professionalism.”

— Paula Zaiken, Vice President, PCI

“We would be pleased to consider participating in a financing package for btcRE’s development of the Foundry project.”

— Paula Zaiken, Vice President, PCI
Financial Approach

**Initial Construction Financing**

*This team is well-positioned to attract financing from a variety of sources, thanks to btcRE’s deep knowledge of real estate finance and investment structuring combined with Industry Lab’s expertise in innovative, mixed-use programming.*

**Private Investors**

btcRE enjoys the support of a stable and committed investor base of high net worth individuals and family offices who are attracted to projects that match the scale, scope and location of The Foundry. The firm expects to draw from its existing investor base to help finance The Foundry, as well as secure new investors who have become familiar with btcRE through its transformation of 35-37 Medford Street. Industry Lab has its own investor base, which it expects to pursue, and both firms (and/or their key personnel) are expected to co-invest in the opportunity. This project could be especially attractive to private investors with specific mandates to invest in projects that have economic development components.

**Crowdfunding**

This project could be ideal for crowdfunding equity, given its prominence in the community, attractive location, distinctive design, and public benefits. Though crowdfunding in real estate is a relatively new concept, it has been gaining significant traction of late, driven by favorable regulatory changes. Mr. Iammartino has relationships with both established and upstart real estate crowdfunding platforms, which can provide valuable insights and assistance in assessing the viability of crowdfunding for this project.

**Traditional Debt Sources**

The Foundry project should no doubt attract traditional debt sources, such as banks and insurance companies (though interest could be constrained by the complicated and speculative nature of the renovation, the leasehold interest, and the community benefit requirements). Mr. Iammartino has extensive networks in the real estate finance industry to pursue potential debt sources, and btcRE would expect to retain a third-party mortgage advisor to ensure a comprehensive process.

Given the complexities of the project, a local bank may be the best source of debt financing. Local banks are attractive sources of capital due to their local market knowledge, relationship-based approach, and hands-on asset management strategy. btcRE worked successfully with a local bank – Cambridge Trust Company, Cambridge, MA – for the refinancing of 35-37 Medford Street.

Local banks seeking to meet their economic development mandates under the Community Reinvestment Act may be especially eager to lend on a project of this nature. These sources can be particularly creative and flexible in their approach and often have experience working with complex financial structures with multiple parties. We have spoken with Peter Hollands, Senior Vice President, Community Reinvestment Commercial Lender at Boston Private, who offered very preliminary feedback that the Foundry project fits within Boston Private’s parameters and that Boston Private would be interested in exploring further at the appropriate time. Other local banks that are active in this space are Eastern Bank, Rockland Trust and the local offices of Bank of America.
Mission-Driven Lenders

As an alternative to traditional lenders, this project could also be attractive to mission-driven lenders, whose loans are tailored to support economic development. As described above, btcRE has already successfully worked with a mission-driven lender: The Property and Casualty Initiative (please see the included reference letter from Paula Zaiken, Vice President of PCI). Other lenders in this space include the Life Initiative and Boston Community Capital.

Public and Quasi-Public Agencies

Given the unique nature of this demonstration project and the many public benefits, The Foundry could be attractive to public and quasi-public agencies, e.g., MassDevelopment, the Massachusetts Life Science Center, and MHIC. Based on preliminary conversations with a representative of MassDevelopment, the Foundry project does fit within the scope of financing that MassDevelopment provides. The project could be attractive under one of MassDevelopment’s direct lending programs, though it does not appear to be eligible for MassDevelopment’s loan guarantee or tax-exempt bond financing programs. MassDevelopment could lend on its own, or participate along with a lender like PCI and/or Boston Private.
Financial Approach

Revenue Strategies

This team is well-positioned to attract financing from a variety of sources, thanks to btcRE’s deep knowledge of real estate finance and investment structuring combined with Industry Lab’s expertise in innovative, mixed-use programming.

Rental and Reimbursement Revenue

The Foundry’s largest revenue stream will be rental revenue, earned under traditional tenant leases that specify a dollar rental rate per square foot (SF) of space leased (e.g., $50/SF x 2,500 SF = $125,000 per year). Tenants are also expected to pay reimbursement revenue (i.e., a proportionate share of building expenses such as taxes and insurance), which is typical in commercial real estate leases. As described in more detail in Question 2, tenants will range in size, commitment, and financial strength.

- Premium – Premium users such as venture capital firms, law offices and other high-end businesses will be charged typical market-rate rent for the Kendall Square area. Class A fit-outs and long-term leases to such tenants will provide a strong and stable revenue base.
- Traditional Office, R&D, and Retail – Many of these types of users are eventually forced to relocate from Kendall Square due to cost constraints, but it is our mission at The Foundry to retain such users in Kendall Square. As such, these users will be charged a discount to premium users. To maintain a viable construction cost structure, these users will also receive more modest fit-outs than premium users.
- Coworking – Coworking represents IL’s core competency, and IL will lease a portion of the building to run its business. IL will pay a discount to traditional office, R&D and retail users so that it is economically viable for IL to continue to serve its non-traditional base of users such as creative economy firms, “makers” and artists-in-residence. The required build-out for this use is wide open, unpretentious and cost-effective.

Sponsorships

We also expect to generate a substantial portion of The Foundry’s revenue through sponsorship sales. Sponsorships could take many forms, including general corporate marketing/branding, sponsorships of specific programs or building areas (e.g., a sponsorship of the assembly space or a conference room), and sponsorships tied to premium tenants (e.g., a required sponsorship in connection with a premium tenant leasing space at the building). As a prominent building with a desirable audience ranging from community members to high-end technology firms, we believe that sponsorships will be attractive to many firms. The feasibility of sponsorships as a viable source of revenue has been proven by similar ventures such as Greentown Labs and LabCentral.

Temporary and Programmatic Revenue

While not as predictable as long-term tenants or sponsorships, revenue from temporary and programmatic uses is an important supplement. For example, a user might incur a charge per event, per hour or per person to utilize the assembly space for a private event. In keeping with the cross-subsidization element of the business model, premium tenants or premium outside groups would incur market-rate charges for renting comparable space in the Kendall Square area, while smaller tenants, non-profits or community members would incur reduced (or free) charges. Similarly, each of the labs (fabrication, electronics, studio, kitchen) lends itself to temporary and programmatic revenue as well (e.g., a per hour charge to utilize the fabrication lab). Again, these charges could be
Financial Approach

levied per event, per hour or per person, all under a sliding scale depending on the given user. To provide further flexibility to a range of users, these charges could be structured as a “revenue-sharing” arrangement, whereby the user does not face a fixed charge, but shares a portion of the revenue generated from the program.

Consumables

Consumables are potential revenue opportunities that are ancillary to core uses such as coworking and labs. For example, the fabrication lab will offer parts and supplies that users may purchase to undertake their projects. These materials might represent a small profit-center, as they could be sold to users above the cost of acquiring them. Similarly, printing and copying services could be provided to coworking members at a small profit.

Professional Services

Finally, there may be an opportunity to provide a la carte professional services that generate revenue through a direct charge or a revenue-sharing or referral fee arrangement. Many small firms require similar types of administrative and professional support, such as legal, accounting and bookkeeping, graphic design and virtual assistants. Partnering with providers of these services, we may be able to offer these services in a cost-effective and profitable manner.
Additional Public Investment Scenarios

Debt Financing Support

The Foundry project requires a complicated design and renovation scope as well as speculative programming of a vacant building. The project is further complicated by a non-traditional ownership/lease structure, the requirements for public benefits, and the ongoing oversight by the City, CRA and community members. In particular, lenders have expressed to us concern that their interests would be subordinated to the public benefit mandates of the project. For example, in the worst case scenario of a foreclosure, a lender’s effort to maximize value by pursuing the highest-and-best use of the property could be constrained by community requirements. In addition, we have received feedback that lenders would strongly prefer a 99-year sublease term over the proposed 50-year term.

These complications are not insurmountable, but they could hinder the type and level of debt financing otherwise achievable. This would be especially true if the real estate financing markets, which are currently extremely attractive, were adversely impacted in the future by macroeconomic events, regional issues, oversupply, a cyclical downturn, etc.

Additional public investment to support debt financing could greatly enhance the Development Entity’s ability to maximize the impact of the renovation. The City could provide a guarantee to backstop the debt facility -- the most straightforward would be a full guarantee for the entire term of the loan. The backstop could instead be structured in creative ways, such as a partial guarantee for only a portion of the loan (e.g., over a certain dollar amount) or a guarantee that is reduced or eliminated over time as the renovation is completed and the property achieves performance hurdles. A related concept could be for the City to relax the public benefit requirements in the event of a foreclosure, giving a lender greater comfort in the value of the collateral should the bank take over the leasehold. This is common in low-income housing projects, and could be compelling to potential lenders for the Foundry. Lastly, the City could fund a debt service reserve account, which could be drawn by the Development Entity to pay debt service if financial projections are not met.

Pre-Development Support

The selected Development Entity will be required to expend significant time and resources before construction can even begin, particularly given the City’s strong desire for certain design elements. The costs of securing permits and approvals will be high, as will other carrying costs (e.g., insurance, taxes, maintenance, etc.) for the period of time before construction begins. A delayed closing process, in which the Development Entity is not required to formally take control until permits and approvals are actually in place, would help alleviate these burdens significantly. Similarly, monetary support from the City geared specifically towards pre-development costs would be attractive.

Leasehold Financial Flexibility

The financial arrangement for the leasehold between the CRA and the Development Entity will, of course, have a material impact on the economics of this transaction. Creative and flexible structuring of this arrangement could make public uses more economically viable and make the project more attractive to lenders. For example, under a prepaid leasehold, a one-time, upfront payment would eliminate the need for an on-going, long-term cash outflow, and thus provide greater flexibility going forward. Alternatively, the parties could structure a participating lease, in which the CRA earns a percentage of revenue above a certain threshold (e.g., a percentage of cash flow after debt service).
Financial Approach

This would provide downside protection to the Development Entity in the event financial projections were not met, but offer the CRA upside for outperformance.

Program Subsidies

We believe The Foundry can be revitalized to meet the community’s goal of a vibrant and energetic innovative center that offers benefits to the public and is economically viable. Our proposed programming is designed for financial cross-subsidization between market-rate, purely private sector uses and below-market, community-oriented use. CRA funding of operating and capital reserves will support this mixed-use approach. Additional, targeted subsidies towards specific program elements hold the potential to advance and foster community engagement in an efficient and cost-effective manner. For example, once the infrastructure is established to provide electrical engineering training or commercial kitchen operations, the marginal cost of a per-person or per-hour subsidy to help maximize community access would be relatively low.

The team looks forward to working with the City, the CRA and the community to refine our programming and determine the most cost-effective and highest-impact subsidies that may be possible.