

## ***Memo***

**Date: December 17, 2015**

**To: The Honorable, the City Council**

**RE: Modifications to MXD Zoning Petition and Kendall Square Urban Renewal Plan Amendment**

### **I. Introduction:**

The Cambridge Redevelopment Authority (CRA) appreciates the involvement and thoughtful comments of the City Council who have held multiple hearings to review the MXD Zoning Petition and the corresponding Major Amendment to the Kendall Square Urban Renewal Plan (KSURP). We respect the dedication of the City Council towards the goals of increasing Innovation Space and entrepreneurial opportunities, optimizing retail space to serve daily needs of workers and residents, improving the urban design and open spaces connectivity within Kendall Square, and bringing as much affordable housing to the market as possible, especially family housing. These goals align directly with the mission of the CRA. In the spirit of our shared goals, we offer the following revisions to the KSURP Amendment, as filed and amended. The CRA has composed corresponding revisions to the MXD Zoning for consideration. These proposed changes were approved by the CRA Board at their public meeting on December 16, 2015.

### **II. Proposed Language Revisions for the Kendall Square Urban Renewal Plan:**

(Revisions to the documents on file as amended shown by **underline** and **~~strike-through~~**)

#### ***1. New Section 112: Economic Development***

**The CRA will establish, in coordination with the City, an economic development program to facilitate opportunities to engage residents and businesses in Cambridge in the broad range of economic development opportunities within Kendall Square. This program shall include, but is not limited to:**

- (a) Placement of qualified individuals and small businesses within below market Innovation Space established by Sections 402 and 412 of this document, and**
- (b) Implementation of retail entrepreneurship opportunities in Kendall Square consistent with a Retail Plan as described in Section 507.**

## 2. Existing Section 402: Dimensional Requirements

### (4) GFA Exemptions:

The following items shall be excluded from the calculation of Aggregate GFA within the District for the purposes of determining compliance with the intensity of development requirements of the Plan and Article 14 of the Zoning Ordinance:

...

Innovation Space: Innovation Space GFA up to twenty percent (20%) of the Infill Development GFA dedicated to commercial space. In order for the Innovation Space to be exempt from the Aggregate GFA limitations, at least **twenty five percent (25%)** ~~five percent (5%)~~ of the Innovation Space utilization (measured by square footage or shared space membership) must be set aside as below market rate space to be offered by the CRA to qualifying tenants.

## 3. Section 411: Housing

### 1) Affordable Housing Requirements

Multi-family housing development shall provide that at least a final net **twenty percent (20%)** ~~seventeen percent (17%)~~ of the Infill GFA of new housing development is made permanently available to households qualifying for affordable housing under the Inclusionary Housing Ordinance, or the minimum percentage required by the Zoning Ordinance, whichever is greater. The CRA will utilize this square footage measurement rather than unit counts for meeting this requirement to provide opportunities for larger affordable units with two and three bedrooms to be constructed.

### 2) Middle Income Housing

Middle Income Units (as defined in Article 14.35(c) of the Zoning Ordinance.) shall occupy at least **five percent (5%)** ~~three percent (3%)~~ of the total residential GFA of each residential building utilizing Infill GFA. Such Middle Income Units shall be distributed throughout each residential building and be comparable in size, configuration and quality to the market rate units. The floor area of Middle Income Units provided per this Section 411 shall not be counted against the Aggregate or Cumulative GFA limitations in the District.

### 3) Dwelling Type Mixture

New housing development utilizing Infill GFA shall include a range of dwelling unit types and sizes. At a minimum, five percent (5%) of the residential GFA utilizing Infill GFA shall be devoted to dwelling units with three (3) bedrooms or more, which shall be designed to accommodate families with children.

**To the extent legally permissible under Section 11.200 of the Zoning Ordinance and other applicable legal requirements, these three-bedroom units will all be Middle Income Units and Affordable Units; provided, however, that if three-bedroom units comprise more than five percent (5%) of the total floor area devoted to multi-family residential units, any such units in excess of five percent (5%) of the total floor area may be market-rate units.**

#### 4. *Section 505: Proposed Building and Architectural Plans*

All development proposals and architectural plans will be subject to design review, comment, and approval by the CRA prior to land disposition (if applicable) and prior to the commencement of construction. All construction work will be subject to review by the CRA in order to assure compliance of development proposals and architectural plans, with any previously approved plans. **The CRA shall develop Urban Design Guidelines, to be reviewed by the City, specific for the evaluation of development projects utilizing Infill GFA.**

#### 5. *Section 507: Retail Plan*

In order to effectuate the goals of promoting a vibrant retail environment and street-level activation, the CRA shall require that the Concept Plan shall include a Retail Plan to demonstrate how the project will improve and diversify the existing retail environment, create active street-level uses, and attract and support the provision of local and independent businesses. Among other things, the Retail Plan shall:

- 1) Set forth target uses and users (and shall particularly target local and/or independent retailers and grocery store / pharmacy operators),
- 2) Designate an individual responsible for implementing the plan who shall serve as a point of contact with the CRA,
- 3) Describe the types of economic incentives which may be offered to tenants such as rental and fit-up allowances, ~~and~~
- 4) **Include** a street activation plan for Main Street, Broadway, and Ames Street, **and**,
- 5) **Identify opportunities for “start-up” retail uses at an entrepreneurial or developmental stage of business, which opportunities may, for example, be located in indoor or outdoor temporary space (such as kiosks, markets, food trucks and the like) or in leased space, or in some combination thereof.**

The Concept Plan must include an annual reporting process to the CRA for the duration of the KSURP regarding the ongoing efforts on the part of the development to comply with the Retail Plan.

### III. Proposed Language Revisions for the MXD Zoning Petition

(Revisions to the documents on file as amended shown by underline and ~~strike-through~~)

#### 14.32.2.1 Infill Development Concept Plan Requirements:

- 7) An open space plan depicting the size, layout and configuration of all open space within the District. This open space plan shall illustrate the open space existing in the District and open space to be developed or modified within the District and / or outside of the District in accordance with Section 14.40. The plan shall provide a narrative discussion of public programming concepts for new and existing open space. **The open space plan should also describe connections between the District and the neighboring PUD-KS District.**
- 9) A plan illustrating proposed building scale, height and massing, including a and model and a study demonstrating the anticipated shadow and wind impacts of all proposed buildings taller than 100 feet, and a general description of proposed mitigation measures that will be employed. **Additionally a set of urban design guidelines to be utilized in the design review process shall be included.**
- 12) In order to effectuate the goals of promoting a vibrant retail environment and street-level activation, the Concept Plan shall include a Retail Plan to demonstrate how the project will improve and diversify the existing retail environment, create active street-level uses and attract and support the provision of local and independent businesses. Among other things, the Retail Plan shall:
  - a. Set forth target uses and users (and shall particularly target local/independent retailers and grocery store/pharmacy operators),
  - b. Designate an individual responsible for implementing the plan who shall serve as a point of contact with the CRA,
  - c. Describe the types of economic incentives which may be offered to tenants such as rental and fit-up allowances, ~~and~~
  - d. Provide a street activation plan for Main Street, Broadway and Ames Street, and
  - e. **Identify opportunities for “start-up” retail uses at an entrepreneurial or developmental stage of business, which opportunities may, for example, be located in indoor or outdoor temporary space (such as kiosks, markets, food trucks and the like) or in leased space, or in some combination thereof.**

The Concept Plan must include an annual reporting process to the CRA for the duration of the Kendall Square Urban Renewal Plan regarding the ongoing efforts on the part of the development to comply with the Retail Plan.

#### 14.32.6 GFA Exemptions

- (3) *Innovation Space*: Innovation Space GFA up to twenty percent (20%) of the Infill GFA dedicated to Office and Biotechnology Manufacturing Uses. In order for the Innovation Space GFA to be exempt from the Aggregate GFA limitations, at least **twenty-five percent (25%)** ~~five percent (5%)~~ of the Innovation Space utilization (measured by square footage or shared space membership) must be set aside as below market rate space to be offered by the CRA or the City to qualifying tenants for short-term leases consistent with Section 14.32.5(b).

**14.35** *Middle Income Housing Requirement.* For any project utilizing Infill GFA for multi-family residential use, the following requirements for Middle Income Housing Units shall apply in addition to the Inclusionary Housing requirements set forth below:

- (a) Middle Income Units (as defined below) shall occupy floor area equal to at least five percent (5%) of the total floor area devoted to multi-family residential use. Such Middle Income Units shall be distributed throughout the residential building in a manner approved by the Planning Board, in consultation with City and CRA staff, in order to ensure that the Middle Income Units are of an appropriate location, size, configuration and quality for households intended to occupy such units. The floor area of Middle Income Units provided per this Section 14.35 shall not be counted against the Aggregate GFA limitation in the District.

**14.36** *Affordable Housing Requirement.* For any project utilizing Infill GFA for multi-family residential uses, the following requirements shall apply in place of the Inclusionary Housing requirements set forth in Section 11.200 of this Zoning Ordinance, **including but not limited to the requirements regarding the number of Affordable Units:**

- a. ~~Notwithstanding anything to the contrary in this Ordinance, No~~ less than **twenty percent (20%)** ~~seventeen (17%)~~ of the total floor area devoted to multi-family residential use shall be devoted to Affordable Units in accordance with the definitions and procedures set forth in Section 11.200 of the Zoning Ordinance. No increase in GFA beyond the limitations set forth in Section 14.32.1 shall be provided for a project or the District subject to the requirements of this Section 14.36 ~~5~~.
- b. The Planning Board may approve a Special Permit providing Affordable Units that are, on average, larger in area than the other dwelling units in the building. Where such units are larger in size and provide a greater number of bedrooms, they may be accordingly, fewer in number within the project, provided that the ~~seventeen (17%)~~ **requirements set forth in 14.36(a) are satisfied.**
- c. If the Inclusionary Housing requirements of Section 11.200 are amended subsequent to September 1, 2015 such that more than **twenty percent (20%)** ~~seventeen (17%)~~ of the total number of dwelling units must be devoted to Affordable Units, then the **twenty percent (20%)** ~~seventeen (17%)~~ total floor area requirement set forth in this Section 14.35 shall be increased to the same percentage to which the requirements have been increased under said Section 11.200.

**14.37** *Dwelling Units.* New multi-family residential development utilizing Infill GFA shall include a range of dwelling unit types and sizes. At a minimum, five percent (5%) of the residential GFA utilizing Infill GFA shall be devoted to dwelling units with three (3) bedrooms or more, which shall be designed to accommodate families with children.

**To the extent legally permissible under Section 11.200 of the Zoning Ordinance and other applicable legal requirements, these three-bedroom units will all be Middle Income Units and Affordable Units; provided, however, that if three-bedroom units comprise more than five percent (5%) of the total floor area devoted to multi-family residential units, any such units in excess of five percent (5%) of the total floor area may be market-rate units.**