



Date: March 9, 2020

To: CRA Board

From: Tom Evans, Executive Director

RE: Alternative Electrical Substation Site in KSURP

This memorandum serves as a cover letter to a series of correspondence provided by the City Manager to the Cambridge City Council for their March 2, 2020 meeting regarding the City's efforts to find an alternative location for the Eversource substation, originally sited at 135 Fulkerson Street in East Cambridge.

### **BACKGROUND**

Last year when Eversource announced their plans for a new electrical substation on Fulkerson Street, the City Manager brought together city staff and representatives from the local development community to explore an alternative site for the facility. Initially, the CRA became involved in the discussions as the 'Porkchop' parcel in the MXD was under consideration as a potential location for the substation. Later it was determined the subgrade infrastructure at this location, as well as its unusual shape, made it technically infeasible as an alternative location.

The City conducted an extensive search for alternative sites and met regularly with large commercial property developers in East Cambridge, including Alexandria, MITIMCO, Biomed Reality, DivcoWest, New England Development, and Boston Properties (BXP). After attending multiple meetings with the City Manager and hearings held by City Council regarding the substation proposal, BXP approached staff about a very conceptual idea of placing the substation on the site of the Blue Garage within Parcel Two of the Kendall Square Urban Renewal Plan. To accommodate the substation at this location, BXP considered numerous development sites within the MXD for both the planned housing and new commercial development, before focusing the planning effort exclusively on Parcel Two. The technical challenges of the alternative substation are complex. It involves not only the design of the substation and high voltage access routes to the location, but also completing plans for the housing program currently outlined in the Infill Development Concept Plan, fulfilling interim and future parking requirements, and designing locations for additional development to provide finances to support this alternative location.

Even within the block there are various configurations of the substation, housing, and new commercial development that need to be explored. Through ongoing discussions between various property owners in the area and Eversource, BXP has outlined a number of key conditions required to make the location on their garage property work for their interests. Eversource additionally needs to continue their

engineering studies to confirm the feasibility and site constraints of the location, and will need to gain approval for the location from the Commonwealth's Energy Facilities Siting Board (EFSB).

In addition to the state's facility siting review process, the alternative location would require that the CRA approve an amendment to the KSURP, and propose new MXD zoning. These changes would affirm the regional utility infrastructure land use in the district, as well as provide for additional development rights and make adjustments to some dimensional restrictions to facilitate the alternative site. The CRA will also need to revise its development agreement with BXP in order to allow for the additional development, and conduct additional MEPA review to cover the major KSURP amendment. There will be additional City approvals and agreements required to implement the connection of electrical lines to the site. Many of these actions will be required before the application is submitted to the EFSB.

## **NEXT STEPS**

CRA staff are working to set up numerous meetings and other mechanisms for community input on the alternative location and the corresponding changes to the MXD District and the Infill Development Concept Plan. The CRA would like to advance those conversations as quickly as the technical review by Eversource can permit, as the site plan for the substation and future development will need to respond to the utility engineering factors. As stated in the letter to the City Manager, CRA staff see opportunities to reimagine the public realm amenities on this parcel of the KSURP. The key highlights of CRA input to date have been:

- Location and timing of the 400,000 square feet of housing development, maintaining the commitment to 25% below market rate housing production,
- Integrate the site design with new open space connections through the site with potential enhancements to nearby open spaces to mitigate impacts to the existing open spaces and meet the KSURP open space requirements,
- Coordinate the improvements to the area streetscape around and beyond the substation site with underground connections required by Eversource, and
- Assessing the impacts of the substation project for Biogen, the largest employer (both tenant and property owner) on Parcel Two, including meeting their transportation needs and minimizing disruption to their research facilities.

Once the site planning options are solidified, the CRA will work closely with Boston Properties and Eversource in conceptual building designs to meet the high-quality urban design expectations that have been set by the Board.

#### Attachments:

- 1. CRA Letter to City Manager
- 2. Eversource Letter to City Manager
- 3. Boston Properties Letter to City Manager
- 4. Robert Reardon Letter to City Manager
- 5. City Manager Letter to City Council





February 26, 2020

Louis A. DePasquale, City Manager Cambridge City Hall 795 Massachusetts Avenue Cambridge, MA 02139

Dear Mr. City Manager,

The Cambridge Redevelopment Authority (CRA) has begun to work with designers and engineers from Boston Properties (BXP) and Eversource to understand alternative site options for the Eversource substation originally planned for Fulkerson Street. The technical teams have been working diligently to test the feasibility of an alternative site that utilizes the Blue Parking Garage parcel between Binney Street and Broadway in the Kendall Square Urban Renewal Plan (KSURP). The CRA is supportive of the effort to relocate the substation if, and only if it can be designed in a manner that has minimal impact to the KSURP area and, in particular, to the long-awaited development of previously permitted housing in the MXD district.

In addition to the state's regulatory process for the siting of the substation, the alternative CRA site would require an amendment to the KSURP, new MXD zoning, and revisions to the development agreement with BXP in order to allow for the additional development required to finance this alternative location. It is expected the MXD and KSURP amendments will be similar in scope to the MXD zoning amendments approved by the City in 2015 after a months long public process.

In connection with this proposal, the CRA will evaluate opportunities to further improve and enliven the northern block of the MXD district, and enhance other elements of the public realm in the KSURP. We will undertake a collaborative planning and urban design process with City departments as has been conducted recently through the Infill Development Concept Plan approvals. The CRA looks forward to engaging with the community to discuss the proposed redesign of the northern MXD block, and will begin planning a series of public meetings in the immediate future.

Sincerely,

Thomas Evans
Executive Director

Cc: David Provost, Boston Properties

James Hunt, Eversource Jeff Mullan, Foley Hoag



800 Boylston Street Boston, Massachusetts 02199 617-424-2018

James W. Hunt, III

Senior Vice President
Communications, External Affairs & Sustainability

February 27, 2020

Louis A. DePasquale City Manager City of Cambridge 795 Massachusetts Avenue Cambridge, Massachusetts 02139

Dear City Manager DePasquale:

As you are aware, there is an urgent need for additional electric infrastructure to maintain the reliable and safe delivery of electricity to the City of Cambridge's residents, businesses and institutions and to enable the City to meet its aggressive carbon reduction goals in the future. Eversource has been exploring various solutions to meet this demand and, in 2016, secured a parcel of land at 135 Fulkerson Street in Cambridge as a potential site for a new substation. Based on feedback from the city and the community, approximately eight months ago, Eversource began to engage property owners to determine if there was a more desirable site to locate the substation.

After a series of discussions and meetings with multiple parties, including your office, Cambridge City Councilors, the Cambridge Redevelopment Authority, and community stakeholders, we have preliminarily identified a parcel of land, currently owned by Boston Properties within the Kendall Square MXD District, on which the proposed Eversource substation could potentially be located. The parcel is currently the site of a structured parking facility between Broadway and Binney Street known as the "Blue Garage." We can also report that thus far, while our joint feasibility analysis is ongoing, preliminary engineering efforts have identified no terminal impediments to the potential relocation.

From an Eversource perspective, we can't stress enough that while the site has potential, the Company will require certain assurances to make this a reality, including the following:

- Boston Properties provides adequate space within the parcel to, not only install all the
  electrical substation infrastructure and associated the power line duct banks, but to ensure the
  ongoing safe operation and maintenance of such equipment;
- the City works collaboratively and expeditiously with Eversource to identify and provide adequate space beneath existing city streets to install and maintain 8-10 high-voltage transmission lines that connect the new substation to the electric grid at existing substations in Cambridge and other nearby municipalities including the potential relocation of City utilities;
- the City works collaboratively and expeditiously with Eversource to provide adequate space for as many as 50 lower voltage distribution lines that distribute the electricity to residences and businesses in East Cambridge;
- the City supports and facilitates the location and the design of the proposed substation and the power lines in all permitting proceedings including in local and state forums;

- the City recognizes the potential need for an interim measure to maintain reliable service in Cambridge prior to energizing the substation and lines and agrees to similarly work collaboratively and expeditiously to permit an additional transformer and distribution lines; and
- Eversource does not incur significant additional costs as a result of the relocation.

Although the concept is still in its preliminary stages, we are pleased that we have been able to work together to identify a potential alternative location for the Eversource substation currently planned to be located at Fulkerson Street. Eversource has agreed to pause engineering work on the Fulkerson Street location and will continue to do so provided that there is community support for the alternative Blue Garage location. We look forward to working expeditiously with all stakeholders to address the logistical, technical, functional, and permitting needs to advance this concept toward a viable project.

Very truly yours.

Sim Hunt

cc: David Provost, Boston Properties

Thomas Evans, Cambridge Redevelopment Authority

## BOSTON PROPERTIES LIMITED PARTNERSHIP

c/o Boston Properties, Inc. 800 Boylston Street, Suite 1900 Boston, Massachusetts 02199

February 26, 2020

Louis A. DePasquale City Manager City of Cambridge 795 Massachusetts Avenue Cambridge, Massachusetts 02139

Dear City Manager DePasquale:

This letter is to confirm in response to a request from your office that Boston Properties has been working with Eversource over the past eight months to identify a parcel of land within the MXD District to which the proposed Eversource substation could potentially be relocated from the 135 Fulkerson Street site in Cambridge. The parcel is currently the site of a structured parking facility between Broadway and Binney Street known as the "Blue Garage," and has already been slated for redevelopment as part of a master planning process that has taken place over the past several years through approvals issued by the Planning Board and the Cambridge Redevelopment Authority (CRA)

In order for the site to be developed for the proposed substation, Boston Properties would have to demolish the approximately 1000-space Blue Garage in its entirety and replicate this parking underground, at significant cost to the company. Additional construction work will also be necessary to prepare the site to accommodate the substation.

In addition to the aforementioned construction activity, it will also be necessary for the existing zoning for the MXD District to be amended in order to allow for more modifications to the Special Permit PB#315 issued by the Planning Board in 2017 approving an Infill Development Concept Plan for this parcel. Similarly, approvals from the CRA will be required to modify portions of the Kendall Square Urban Renewal Plan and the existing Development Agreement between the CRA and Boston Properties.

The design, engineering and construction costs associated with this relocation effort are considerable. In order to make this project economically feasible, we have engaged in preliminary discussions with the CRA about the filing of a zoning petition to increase the existing GFA thresholds in the MXD District similar to the petition filed by them in 2015 that created the Infill Development Concept Plan. The intent of the zoning petition would allow for the future construction of two commercial buildings of approximately 400,000 square feet each

and to facilitate the phased development of the Eversource project and the Boston Properties project.

We should also acknowledge the efforts and commitments of the team at Alexandria Real Estate Equities to arrange for temporary parking for our tenants following the demolition of the Blue Garage and during the construction period of the relocated substation, and for their commitment to purchase the Eversource Fulkerson Street parcel to facilitate the relocation transaction.

Although this project is still in its preliminary stages, we are pleased to have been able to offer our site as a proposed alternative to Fulkerson Street and we look forward to working with all of the stakeholders to continue to advance this plan.

Very truly yours,

BOSTON PROPERTIES LIMITED PARTNERSHIP

By: Boston Properties, Inc.,

its general partner

By: Name: David C. Provost

Title: Senior Vice President,

Development

cc: Mr. Robert Clarke

Mr. Tom Evans

Mr. James Hunt

Mr. Todd Lanham

James Rafferty, Esq.

Mr. Ian Hatch

Mr. Bryan Koop

Mr. Michael Tilford

Madeleine Timin, Esq.

# R. P. Reardon Company

February 27, 2020

Louis A. DePasquale City Manager Cambridge City Hall 795 Massachusetts Avenue Cambridge, MA 02139

RE: 135 Fulkerson Street Site

Dear City Manager DePasquale,

After a long complicated process I am pleased to report that an alternative site has been located for the relocation of the proposed Eversource substation. This site selection is subject to several additional regulatory and zoning approvals to be finalized which will include public engagement. This alternative site proposal could not have come together without a unique public and private cooperative effort which will ultimately lessen the impact on the residential neighborhood and the public school students who would have abutted the original site at 135 Fulkerson Street site.

This process which began approximately one year ago with a series of meetings with stakeholders to determine what, if anything, could be done to relocate the proposed substation to an In cooperation with the business community alternative site. numerous sites were vetted to determine if they would be feasible The possibility of having two smaller sites was for a relocation. also investigated and determined to be more adverse than one site. This process was necessarily long because of the requirements that a new potential site be feasible for construction of the substation which has now been determined thanks to engineering completed by Eversource Energy. This proposed substation will be able to meet the electric infrastructure needs of the City of Cambridge and to meet carbon reduction goals. The patience shown by the stakeholders and the City Council has allowed this process to proceed in a manner which offers a realistic solution. The Cambridge Redevelopment Authority, Alexandria Properties, Boston Properties and Eversource Energy have all agreed to be a part of this complicated plan which is highlighted below as well as outlined in more detail from the participants.

 The proposed relocation site is on a portion of Boston Properties Blue Garage, which runs between Binney Street and Broadway, and will need to be completely demolished for construction of the substation and replacement parking. This

> 16 Norris Street, Cambridge, Massachusetts 02140 Telephone: 617-548-2075 - E-mail: rpreardoncompany@gmail.com

# R. P. Reardon Company

process will be led by the Cambridge Redevelopment Authority which will ensure that it can be designed to have minimal impact in the Kendall Square Urban Renewal Plan (KSURP). The cost of redeveloping this site is extremely high and will require zoning relief to offset these costs. It is anticipated based upon the projected costs that two 400,000 square foot commercial buildings would need to be approved under the KSURP which is similar in total size to the most recent zoning change in the MXD zoning district.

- Eversource Energy has conducted enough testing and engineering to determine that the alternative site would be feasible. Given the regulatory requirements, the cost of the relocated site must be reasonable as an alternative.
- In order to offset the additional cost to be incurred by Boston Properties, zoning relief to provide additional development capacity is essential to make this project possible.
- Zoning relief will be needed to temporarily accommodate the displaced parking from the Blue Garage which is under contract by Boston Properties to Biogen. Alexandria has entered into a MOA with Boston Properties to provide interim parking and other parking related costs for the displaced vehicles from the Blue Garage during reconstruction.
- Provided the necessary approval are granted Eversource would sell the existing Fulkerson Street site to Alexandria Properties with funds being used to purchase the Boston Properties site.
- As set forth in the most recent version of their Commitment Letter to the City Council, Alexandria Properties will convey the Fulkerson Street parcel to the City after it is acquired from Eversource.
- Binney Street (Pork Chop) Park will not be impacted as part of the relocation.

If you have any questions or require additional information please do not hesitate to contact me.

Sincerely,

Robert P. Reardon

16 Norris Street, Cambridge, Massachusetts 02140 Telephone: 617-548-2075 - E-mail: rpreardoncompany@gmail.com



# City of Cambridge Executive Department

**LISA C. PETERSON**Deputy City Manager

March 2, 2020

To the Honorable, the City Council:

I am pleased to provide you with an update on the proposed Eversource substation on Fulkerson Street. Following months of discussions initiated by the City, Eversource, Boston Properties, and Alexandria Properties have reached a proposal that will lead to the relocation of the substation out of the East Cambridge neighborhood into the MXD district. I want to thank Eversource, Boston Properties (BXP), Alexandria Properties, and Cambridge Redevelopment Authority (CRA) for joining us in hearing the concerns of the community and for investing significant time and efforts to identify an alternative site that will meet the future electric needs of the City. I also want to thank Robert Reardon, who was working on behalf of the City Manager's Office, for facilitating discussions between the private parties involved in this proposal.

As you will see in the attached report from Mr. Reardon, "the proposed relocation site is on a portion of Boston Properties Blue Garage, which runs between Binney Street and Broadway, and will need to be completely demolished for construction of the substation and replacement parking. This process will be led by the Cambridge Redevelopment Authority which will ensure that it can be designed to have minimal impact in the Kendall Square Urban Renewal Plan (KSURP). The cost of redeveloping this site is extremely high and will require zoning relief to offset these costs. It is anticipated based upon the projected costs that two 400,000 square foot commercial buildings would need to be approved under the KSURP which is similar in total size to the most recent zoning change in the MXD zoning district."

Additionally, Tom Evans, Executive Director of the CRA, has expressed support for this proposal in a memo submitted to me on February 26, 2020. Mr. Evans notes in this communication that "In addition to the state's regulatory process for the siting of the substation, the alternative CRA site would require an amendment to the KSURP, new MXD zoning, and revisions to the development agreement with BXP in order to allow for the additional development required to finance this alternative location. It is expected the MXD and KSURP amendments will be similar in scope to the MXD zoning amendments approved by the City in 2015 after a months long public process."

I want to thank the City Council for their leadership on this issue over the past months as the private parties involved investigated all available options to relocate the proposed substation from Fulkerson Street. Finally, I want to thank the residents of East Cambridge and Wellington-Harrington, especially the stakeholder group that I have been meeting with, for their patience, input, trust, and advocacy.



The fact that the City has been able to facilitate private parties reaching an agreement to relocate the substation from Fulkerson Street into the MXD district is a significant achievement. I want to express my sincere thanks for the patience and cooperation demonstrated by all parties involved in this process. Ultimately for this project to move forward, the needed zoning amendment to the MXD district will require City Council approval.

Very truly yours,

Louis A. DePasquale

Louis A. DePasquale City Manager

LAD/mec Attachment(s)