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Innovation Space Compliance Report 2022

March 16, 2022

Introduction

The following Innovation Space Annual Compliance report is submitted to fulfill requirements stipulated by the MXD Infill Development Concept Plan (IDCP), administered by the Cambridge Redevelopment Authority (CRA) and the Planning Board via Special Permit PB315 (the “special permit”). As part of the new commercial and residential uses authorized by the Special Permit within the Kendall Square Urban Redevelopment Plan (KSURP) area pursuant to the zoning ordinance, Boston Properties (BXP) pledged to deliver Innovation Space as a condition of approval for Commercial Building A (145 Broadway)—a component of Phase I of the IDCP—as well as Commercial Building B (325 Main), a component of Phase II of the IDCP. BXP also pledged to deliver Pre-Innovation Space associated with 75 Ames Street, as stipulated in the Commitment Letter for Ordinance Number 1334.

As initially envisaged, the Innovation Space mandate is intended to ensure a dynamic and diverse environment within the urban ecosystem of Kendall Square and the City of Cambridge at large. With Cambridge Innovation Center’s (CIC’s) and The Link’s continued success at 255 Main Street, we hope that the impact of this strategy is already evident to members of the community.

This document is intended to illustrate how the operators of the Innovation Space at 255 Main Street are fulfilling the conditions mandated by the MXD IDCP process and the granting of the special permit on an ongoing basis. It will enumerate how both the Market Rate Innovation Space—operated by CIC—and the Opportunity Space component—operated by TSNE Missionworks—offer space compliance with the standards established by Article 14 and Section 412 of the Kendall Square Urban Renewal Plan. It will also outline future plans to deliver approximately 8,000 GFA of additional Opportunity Space on the groundfloor of 325 Main, in line with the delivery of Commercial Building B.

Since the filing of our last Innovation Space Compliance Report, CIC has maintained its presence within 255 Main Street. During its tenure, CIC has clearly demonstrated its exceptional ability to foster innovation ecosystems. The entrepreneurs located at 255 Main benefit from world-class infrastructure and programming for innovators, including high quality, flexible office space. The success of CIC within Kendall Square is a clear sign of the continued vitality of Kendall Square and the City of Cambridge.

After approximately one year of planning, construction, and preparation, the Opportunity Space component of the Innovation Space commitment opened in 2019. In partnership with BXP, TSNE Missionworks is operating The Link, a co-working, training, and event venue intended to provide affordable space for nonprofits, employers, and innovators focused on workforce development. With co-working office tenancy at nearly 100% occupancy—including the addition of anchor tenant MassBioEd—The Link continues its mission of fostering opportunities for diverse stakeholders in the Kendall Square innovation economy.

Most recently, BXP has kicked off design for a food hall at 325 Main, scheduled to open summer 2023 subject to mutually agreeable terms with operator CommonWealth Kitchen. CommonWealth Kitchen is a nonprofit that supports diverse local entrepreneurs start and grow successful food businesses. The food hall will provide emerging businesses a retail presence in the heart of Kendall Square and will offer the Kendall Square community access to a broad range of exciting, new food concepts.

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I. Innovation Space Phasing Plan

Innovation Space Phasing Plan

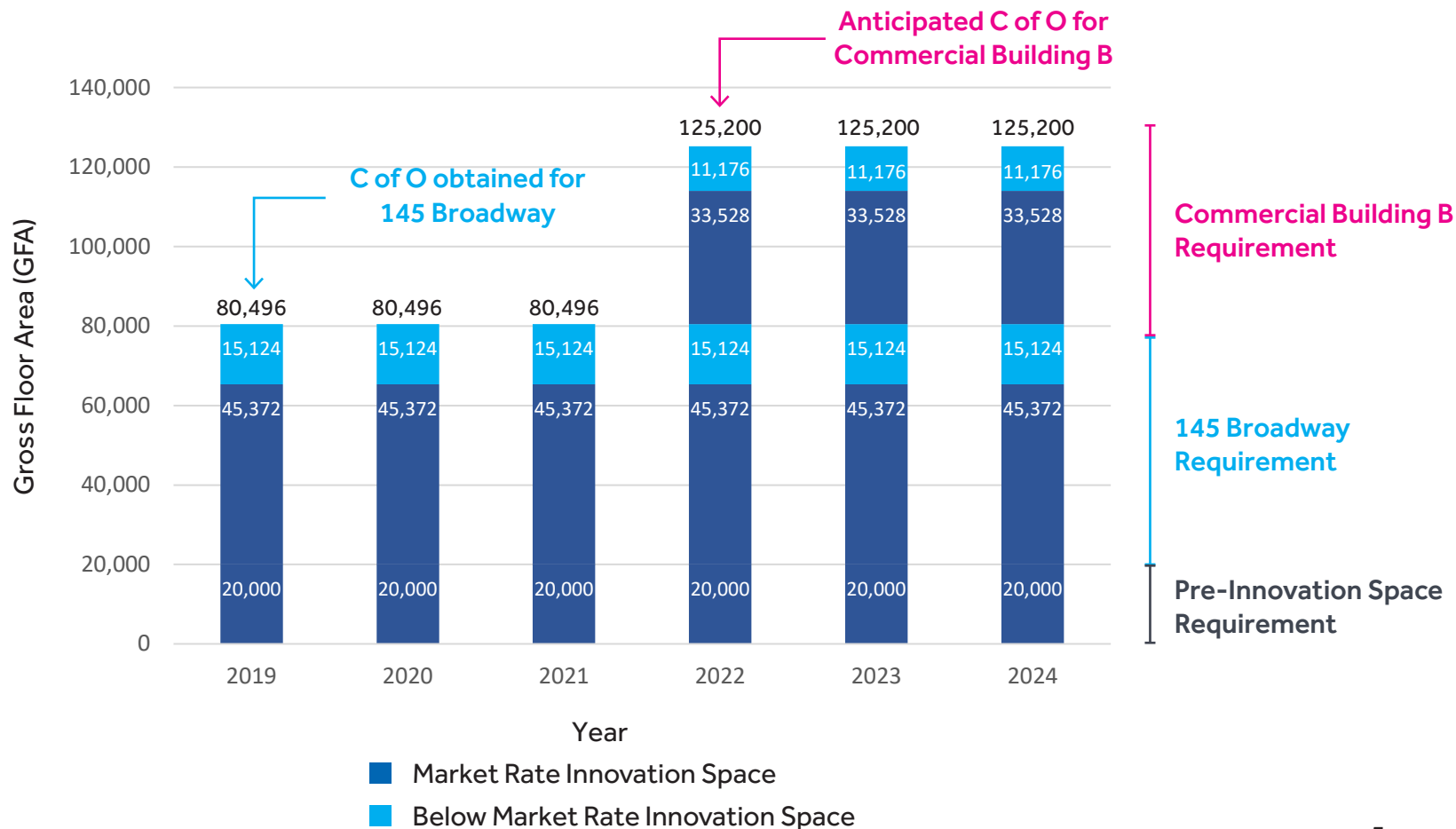
The enclosed phasing diagram delineates the delivery of both Market Rate and Opportunity Space within the KSURP area as a condition of approval for Commercial Building A and Commercial Building B as part of the MXD IDCP. We are currently ahead of mandated schedule for both Innovation Space components.

The 20,000 GFA “pre-innovation space” requirement referenced in the Commitment Letter for Ordinance Number 1334 dated August 2, 2010 as “Boston Properties’ Commitments” #4 has been fulfilled in Phase I through the

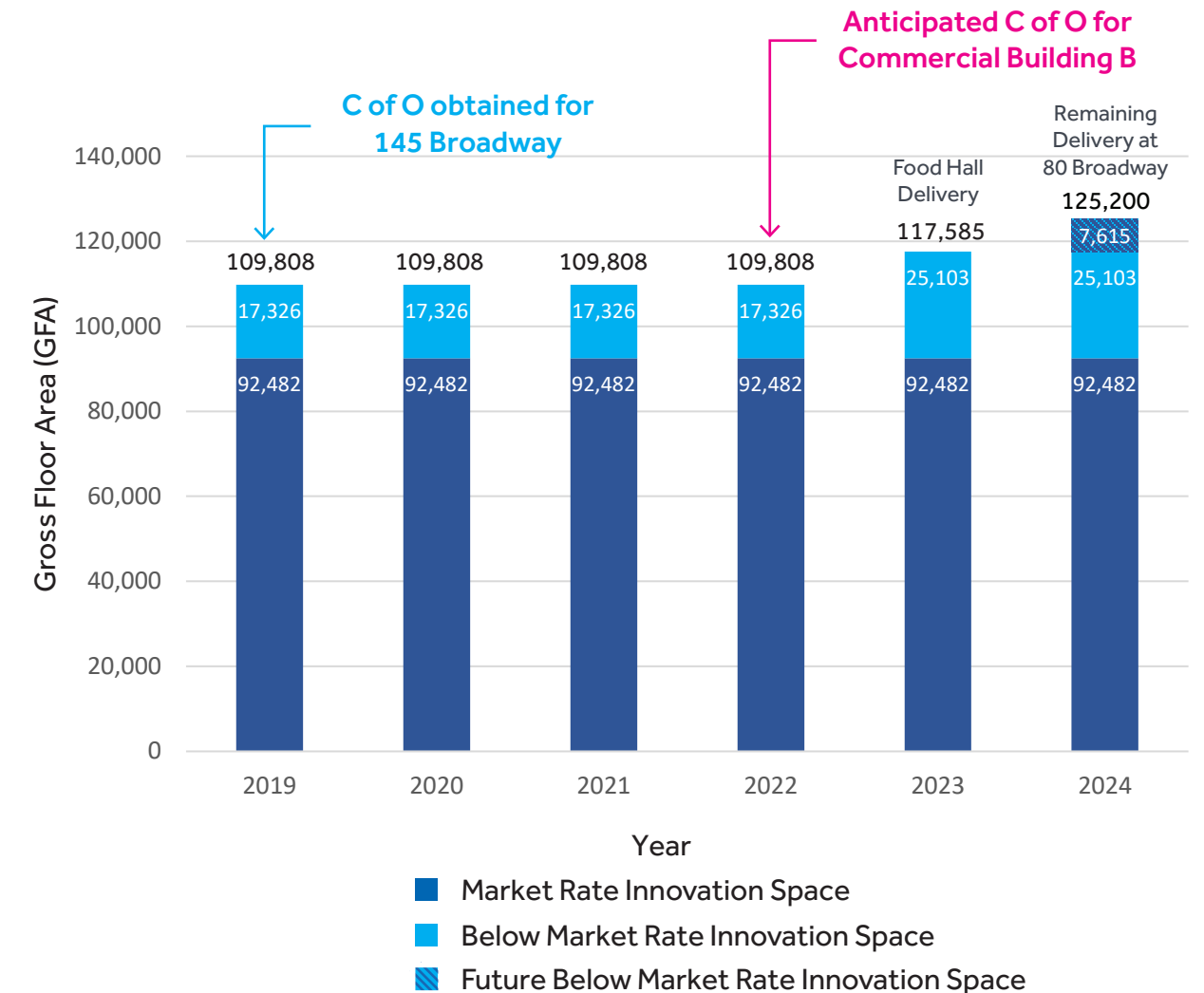
delivery of ~92,482 GFA of market-rate innovation space, well above the Phase I minimum market-rate innovation space required of Phase I of 45,372 GFA. This early over-delivery of innovation space ~47,110 GFA fulfills this 20,000 GFA requirement until Phase II commences.

The phasing diagrams below illustrate the delivery of both Market Rate and Opportunity Space components of the Innovation Space mandate within the KSURP area, as stipulated in the conditions of approval for both Commercial Building A and Commercial Building B.

Required Innovation Space Delivery

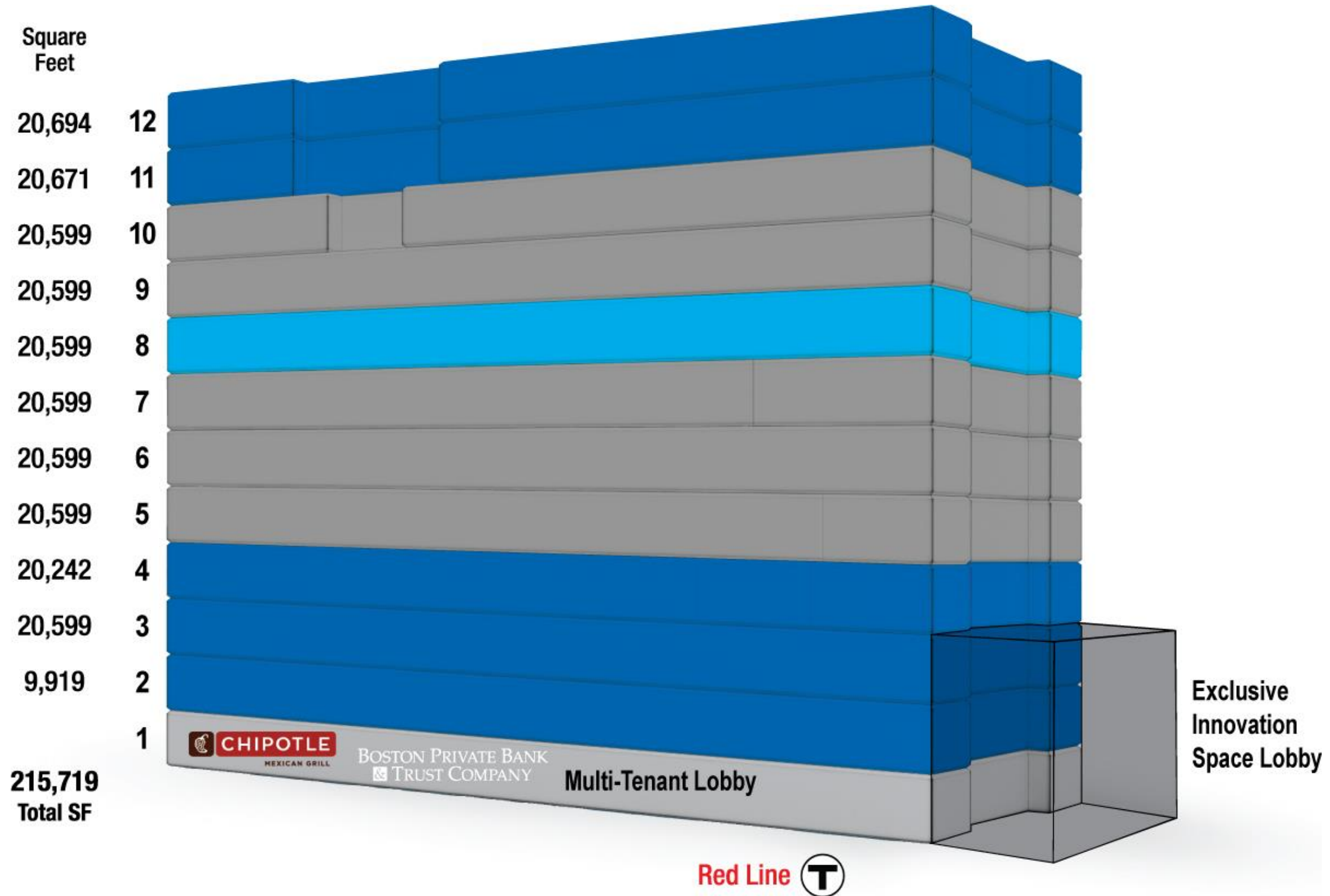


Planned Innovation Space Delivery



II. Stacking Diagram – 255 Main Street

OVERALL STACKING DIAGRAM



- Market Rate Innovation Space
- Below Market Rate Innovation Space

III. Market Rate Zoning Compliance Narrative



Market Rate Zoning Compliance Narrative

CIC develops innovation ecosystems that enable exceptional entrepreneurs to create new products and companies better and faster. We do this by creating world-class infrastructure and programming for innovators, including high quality, flexible office space; shared wet-lab facilities; public, civic innovation spaces; and targeted initiatives to help entrepreneurs grow their companies.

CIC client companies come from all industries, primarily startups, innovation companies, as well as the innovation arms of larger corporations. Globally, CIC has housed over 7,500 client companies in over 1,140,000 SF of premium office and co-working space.

CIC Innovation Space Overview

CIC occupies floors 2, 3, 4, 11, and 12 of 255 Main Street in Cambridge. Within these 5 floors, 92,482 GFA qualifies as Innovation Space.

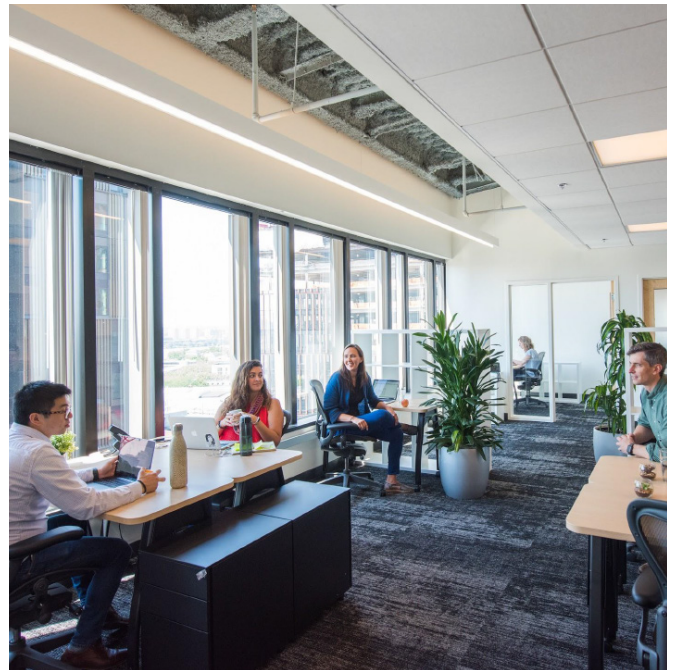
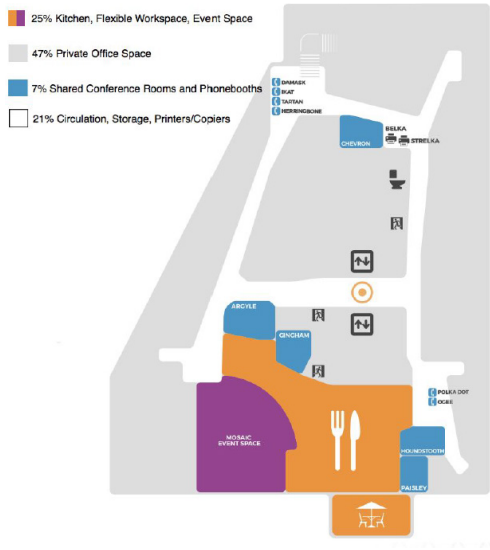
Fulfillment of Innovation Space Plan

Innovation Space: A Concept Plan proposing more than 100,000 square feet of GFA for Office and Biotechnology manufacturing uses shall include a plan for Innovation Space meeting the requirements below. Innovation Space within the District must occupy GFA equal to, or in excess of, ten percent (10%) of nonresidential Infill GFA. Existing GFA within the District may be converted to meet this requirement. The Innovation Space requirement shall be met through the provision of office spaces of at least ten thousand (10,000) square feet or [ten percent (10%) of the newly constructed non-residential GFA, if less] within a single building and may be satisfied by means of a lease to a single user who will operate and manage a facility meeting the requirements hereof.

DESCRIPTION OF REQUIREMENT	HOW CIC FULFILLS THIS REQUIREMENT
Durations of lease agreements with individual office tenants shall be for periods of approximately one (1) month.	CIC maintains the same 30 day service agreements for all clients.
No single business entity may occupy more than two thousand (2,000) square feet or ten percent (10%) of the entire Innovation Space provided in the District, whichever is greater.	Total innovation space within the District is 92,482 GFA. All CIC clients are currently under 10% of this total space. Top five clients by sf: - Client A: 2,419 - Client D: 990 - Client B: 1,238 - Client E: 966 - Client C: 1,163
The average size of separately contracted private office suites may not exceed two hundred (200) square feet of GFA.	Based on a review of offices within the defined innovation space, the average size of separately contracted private offices is 180 square feet.
Innovation Space shall include shared resources (i.e. co-working areas, conference space, classroom space, office equipment, showroom, shop or lab equipment, storage, circulation, supplies, and kitchens) available to all tenants and must occupy at least fifty percent (50%) of the Innovation Space.	All innovation space floors have at least 50% shared resources.

DESCRIPTION OF REQUIREMENT	HOW CIC FULFILLS THIS REQUIREMENT
<p>Individual entities occupying Innovation Space may include small businesses, incubators, small research laboratories, office space for investors and entrepreneurs, facilities for teaching and for theoretical, basic, and applied research, product development and testing and prototype fabrication or production of experimental products.</p>	<p>CIC services a range of clients, and our clients fall into one or more of the described sectors, including:</p> <ul style="list-style-type: none"> - Approximately 75% focused on science + technology - Remaining 25% focused on: <ul style="list-style-type: none"> - Finance + VC - Education - Business Services

CIC Shared Spaces



IV. Opportunity Space Operations Report

Market Rate Zoning Compliance Narrative

In accordance with our first Opportunity Space Operations Plan, Boston Properties has retained lease control of the 8th floor of 255 Main Street while partnering with an experienced licensee operator to run the Opportunity Space. Via extensive collaboration with TSNE MissionWorks (TSNE)—operator of the NonProfit Center of Boston (NPC)— as of the submission of this report, Boston Properties has delivered its Innovation Space requirement in the form of The Link.

Conceived in response to the guidelines of the IDCP and the unique context of the Kendall Square community, The Link seeks to connect underrepresented job seekers to the innovation ecosystem of Kendall Square and Greater Boston. With a focus on workforce training and skills-matching, the space boasts facilities for co-working, flexible office, classrooms, and conference space. Both office and events spaces are open to all, and offer creative opportunities for fostering connections between different facets of the business and non-profit community in Kendall.

Completed by June of 2019, The Link serves as a platform for a variety of different uses. Over 30 workstations and ten offices host co-working and office users, while three different classrooms facilitate instructional programming. Demountable walls between classrooms allow for considerable flexibility in use patterns, broadening The Link’s appeal. Conference rooms are available as an amenity to users of the space.

The benefits of TSNE’s extensive track record in operating the NPC has already manifested itself in the tempo of The Link’s operations. Office/co-working tenancy at The Link has remained stable through three years of operations. Per Scholas has opted to maintain a large presence in the form of several large classrooms, thereby anchoring overall tenancy and maintaining a strong connection between The Link and its mission. Since the last 2019 report, MassBioEd has also signed on as an anchor tenant, working to build a sustainable life sciences workforce in the region. Other current tenants include A-T Children’s Project, CDA Collaborative, Open Agriculture Foundation, COSEBOC, and Green Soul Organics Foundation.

As previously envisaged, tenants of The Link have access to a variety of services and amenities, including:

- High speed internet
- Tech support
- Networked printer/copier/scanner
- Access to conference space
- Cleaning, security, engineering services
- Stocked kitchen
- Community/educational events and programming

V. Opportunity Space Zoning Compliance Report

Opportunity Space Zoning Compliance Report

As currently conceived, the Opportunity Space on the 8th floor of 255 Main Street (The Link) complies fully with the requirements of Article 14, as well as the prescribed mission for Innovation Space under the KSURP as described by the narrative above. The below zoning compliance matrix is included for reference:

DESCRIPTION OF REQUIREMENT	HOW THE LINK FULFILLS THIS REQUIREMENT
Durations of lease agreements with individual office tenants shall be for periods of approximately one (1) month.	TSNE's business plan incorporates agreements for private and shared office, as well as co-working space at 255 Main Street on short-term license agreements. Relief was sought and received from the CRA board to offer terms as long as (1) year due to specific tenant requirements.
No single business entity may occupy more than two thousand (2,000) square feet or ten percent (10%) of the entire Innovation Space provided in the District, whichever is greater.	Average clients of TSNE's currently occupy 298 SF of space, and the floorplan in place at The Link does not include single-tenant space larger than 2,000 square feet in size
The average size of separately contracted private office suites may not exceed two hundred (200) square feet of GFA.	The Link's buildout includes 112 SF per private office on average.
Innovation Space shall include shared resources (i.e. co-working areas, conference space, classroom space, office equipment, showroom, shop or lab equipment, storage, circulation, supplies, and kitchens) available to all tenants and must occupy at least fifty percent (50%) of the Innovation Space.	Over 50% of The Link's space qualifies as co-working, shared kitchen, storage, and/or circulation space available to all tenants, as well as shared conference, and meeting facilities available to both non-profit and for-profit organizations irrespective of tenancy in The Link space.
Individual entities occupying Innovation Space may include small businesses, incubators, small research laboratories, office space for investors and entrepreneurs, facilities for teaching and for theoretical, basic, and applied research, product development and testing and prototype fabrication or production of experimental products.	The Link's tenants as of the submission of this report fall into one or more of the enumerated categories, with the majority situated in the field of workforce development.

VI. Opportunity Space Summary Report

Opportunity Space Summary Report

Space Allocation

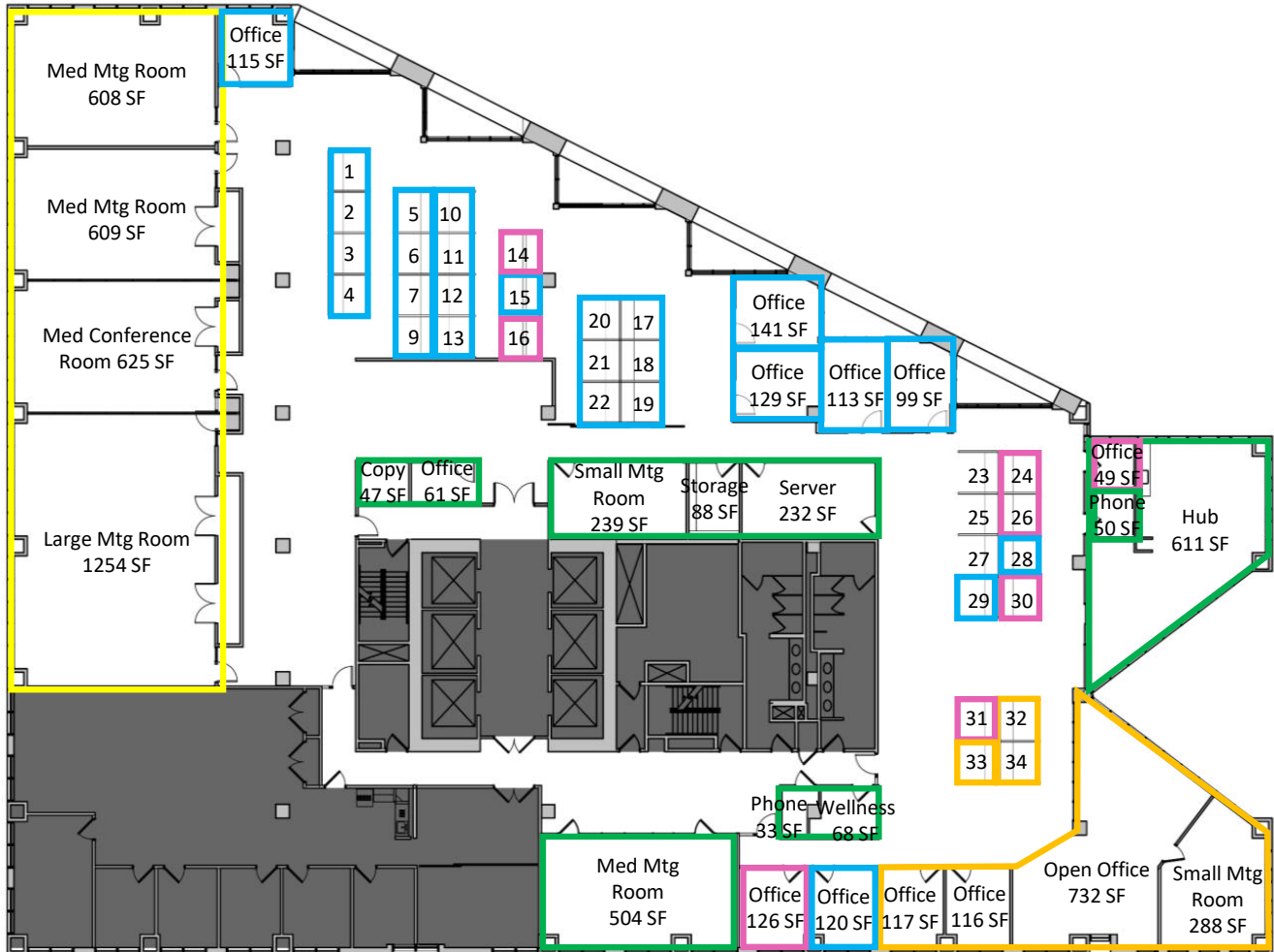
1. The space has been designed with three instructional spaces capable of accommodating 25 students each, as well as one large event space with a capacity of 50. Operable partitions have been installed between two of these spaces to provide flexibility in accommodating larger events and classes. These spaces account for roughly 3,100 SF in total.
2. The majority of available square footage has been configured as a co-working area with a total of 33 workstations, accounting for approximately 5,000 SF of available square footage.
3. 10 private offices—each measuring under 140 SF—account for approximately 1,125 SF. This includes 4 additional private offices built in 2021 for MassBioEd, adding approximately 600 SF.
4. Residual square footage—approximately 9,000 SF—is dedicated to shared resources, including a kitchen/cafeteria area, a lounge, shared meeting spaces, and operational areas including uses such as storage, copy room, server room, and operator’s room.

Tenancy

1. Occupancy: All workspaces at The Link, with the exception of CRA’s space, are rented out to 501c(3) organizations as follows:
 - a. Education/Workforce Development: 19 workstations and 8 private office
 - b. Research/Advisory: 8 workstations and 2 private offices
2. Occupant List
 - a. MassBioEd
 - b. Cambridge Redevelopment Authority
 - c. Per Scholas
 - d. CDA Collaborative
 - e. A-T Children’s Project
 - f. Algebra Project
 - g. Cambridge Community Foundation (CCF)
 - h. Coalition of Schools Educating Boys of Color (COSEBOC)
 - i. Foundry Consortium
 - j. Green Cambridge
 - k. Green Soul Organics Foundation
3. Vacancy
 - a. Workstations: 3 vacant
 - b. Private office: 0 vacant

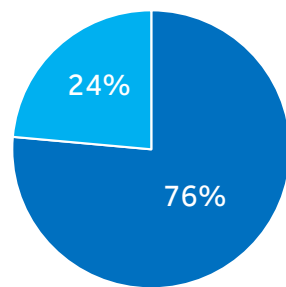
VII. Link Space Floor Plan

The Link Kendall-Usage Breakdown



Link Usage Breakdown

- Instructional Spaces
- Workforce Dev/Education Workspaces
- Research/Advisory Workspaces
- Shared Resources/Operational
- CRA



- Shared Resources
- Tenant Workspaces

VIII. Future Innovation Space: 325 Main Food Hall

Future Innovation Space: Food Hall

As part of BXP's commitment to deliver 15,392 additional SF of innovation space, BXP has kicked off planning and schematic design for a food hall at 325 Main Street. Located adjacent to the MBTA Headhouse, Kendall Plaza, and future Kendall Roof Garden, the 325 Main Food Hall will be a publicly accessible space for workers, residents, and visitors alike to experience a diverse range of homegrown food options. The space will include up to 6 stalls offering prepared, pre-packaged, and specialty foods and will be programmed with food tastings, demonstrations, and other community events.

Plans and timelines are subject to mutually agreeable terms with CommonWealth Kitchen (CWK), an engaged partner and the future operator of the 325 Main Food Hall. CWK is a nonprofit food business incubator that

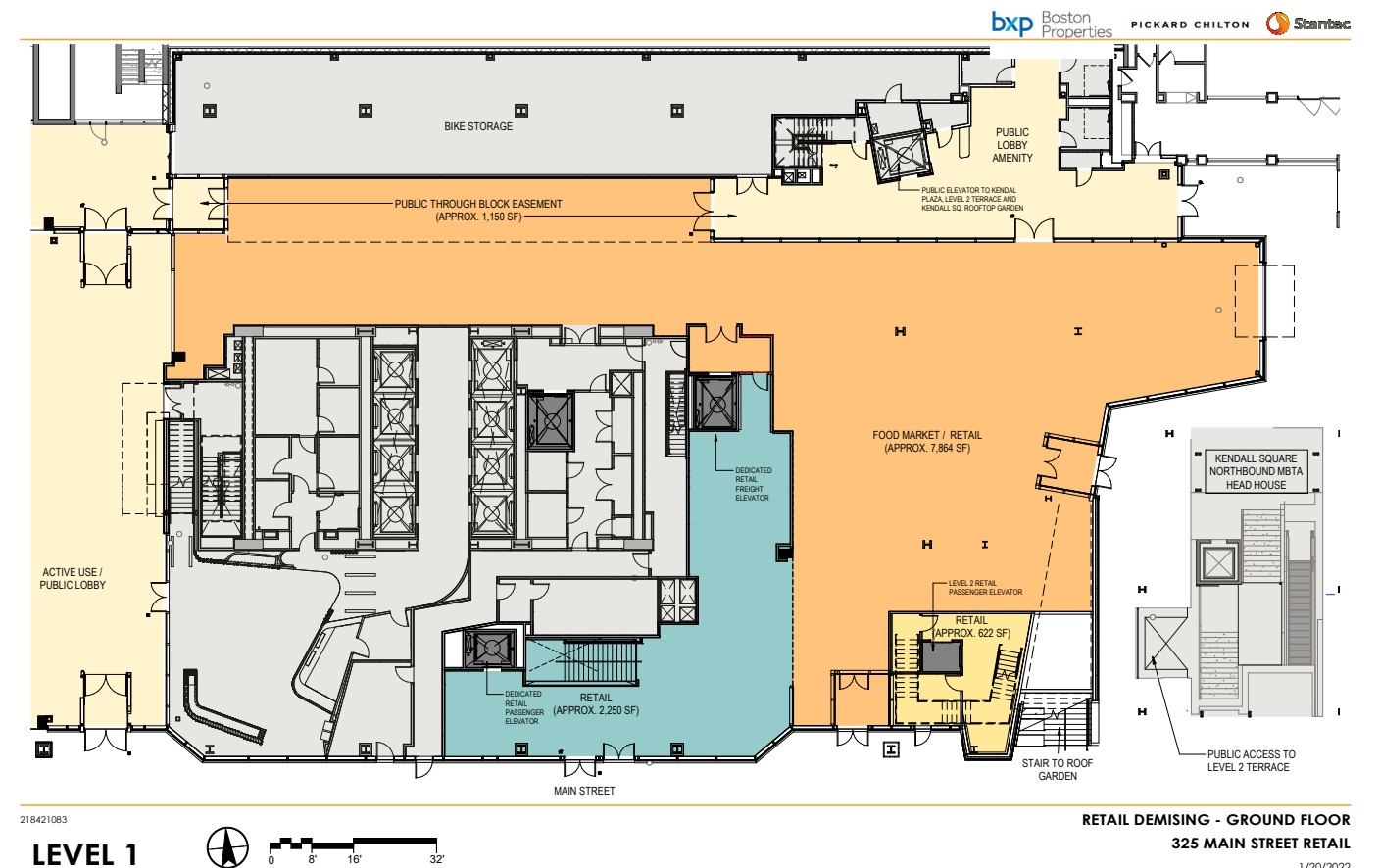
has helped launch 250+ companies, generating \$55 M combined annual revenue and 600+ new jobs. Their member businesses are 75% BIPOC-owned and 70% women-owned. CWK has had success bringing local start-up food entrepreneurs to Kendall Square, including the Launchpad Food Court at MIT. With their expertise, the food hall will provide a broad range of diverse, local food concepts a retail presence right in the heart of Kendall Square.

The food hall, approximately 7,777 SF of Opportunity Space, is expected to open summer 2023. The remaining 7,615 SF required will be fulfilled at 80 Broadway, including a future support kitchen, storage, and demonstration space that can service the food hall's operations as well as facilitate community programming.

325 Main Street: Food Hall Entrance



Food Hall Floor Plan



Concept Design

Planning for the food hall has progressed from vision to concept design to schematic design. The following layouts show the design evolution currently underway, both for the food hall itself and for its future companion kitchen

Food Hall: Initial Blocking Diagram

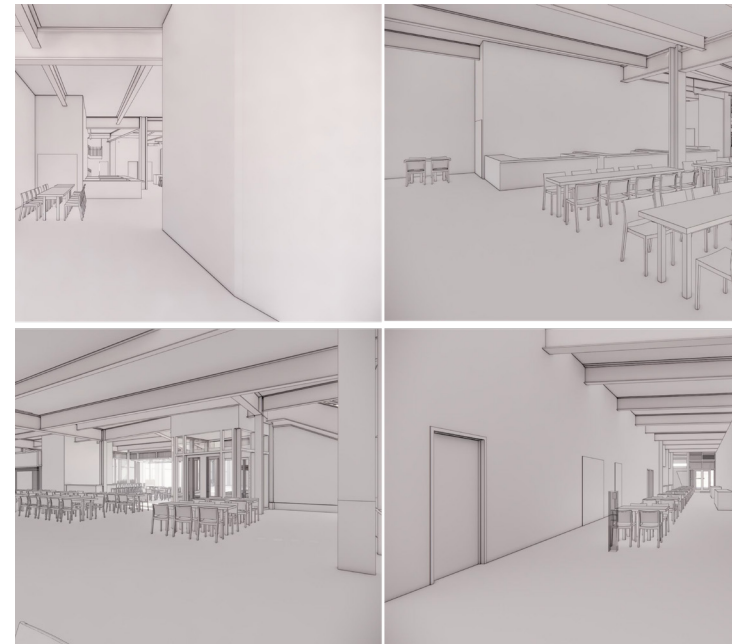


Food Hall: Notional Schematic Diagram



at 80 Broadway. While these layouts are works-in-progress, they reflect overarching direction on configurations and programming for these spaces.

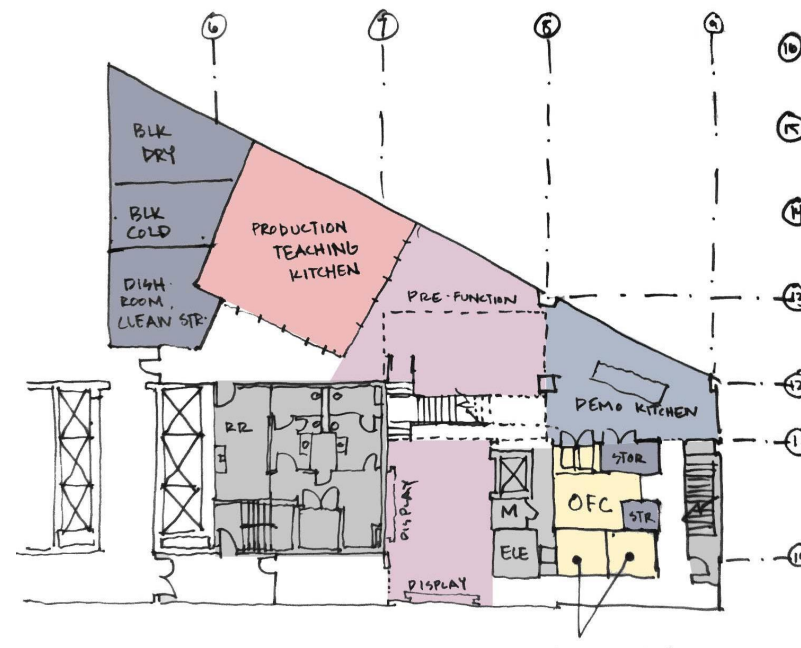
Food Hall: Preliminary Models



Programming for the food hall would include up to 6 food vendors, and could potentially also support:

- retail vendors
- a coffee bar
- a beer and wine bar
- flexible seating
- community event space

80 Broadway: Initial Blocking Diagram



Planning is already underway for Innovation Space at 80 Broadway.

Programming would include supporting infrastructure to facilitate operations at the Food Hall (e.g., a production kitchen and cold/dry storage), and could potentially also support:

- a demo kitchen
- prefunction space available for local community food organizations

Food Hall + MBTA Head House Estimated Timelines

