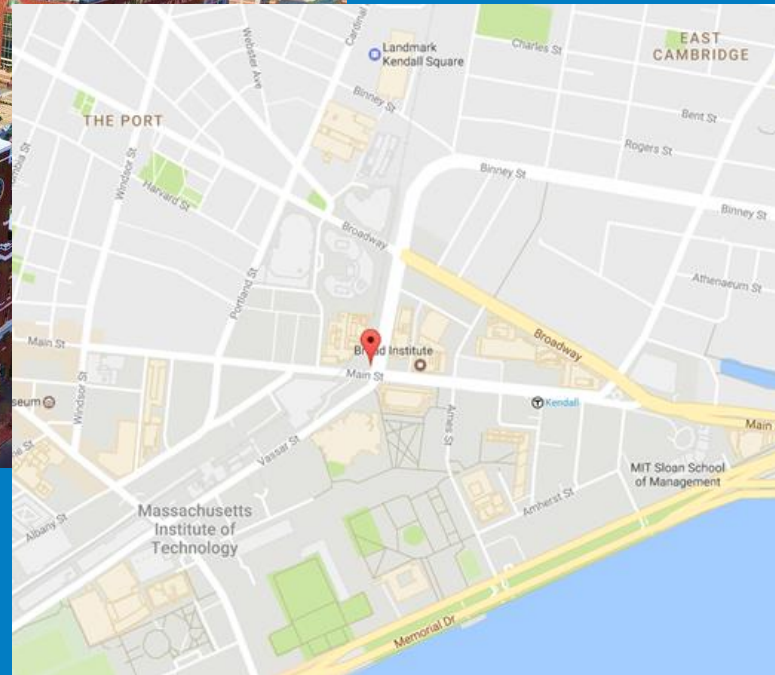


The Kendall Square MOU



Fiscal and Management Control Board
May 1, 2017



Purpose of Today's Presentation

- For the past year, staff has worked with the City of Cambridge and the Cambridge Redevelopment Authority (CRA) on an agreement that would provide for developer contributions to improve transit serving Kendall Square
- We've reached a final agreement, pending endorsement by the parties
- Prior to execution by the GM and Secretary, we wanted to brief the FMCB

Background

- 1970's – CRA selected Boston Properties (BP) as the Master Developer of a 43-acre mixed use site in Kendall Square
 - BP remains the primary property owner in the district
- June 2016 - CRA submitted a Notice of Project Change to MEPA outlining plans to add one million square feet of development (600,000 office/retail and 400,000 residential) in Kendall Square
 - MEPA -CRA committed to working with the City, MassDOT, and the MBTA to establish a fund to improve transit to Kendall Square

The Kendall Square MOU

- An agreement between MassDOT, the MBTA, the City of Cambridge and the Cambridge Redevelopment Authority establishing a fund for transit improvements serving Kendall Square
- Initially, the fund will be capitalized by a \$6 million contribution from Boston Properties
- Funding may be provided to the MBTA or other transit providers (e.g., Charles River TMA)

Allocations from the Fund

- Projects will be recommended by a Working Group comprised of the parties to the MOU, financial contributors to the Fund and other stakeholders as designated by the CRA and the City
- Up to one-third of the funding may be made available for improvements that can be implemented in the short term
- The other two-thirds of the funding will be reserved for long term improvements

Protections for the MBTA

- The MBTA is a full participant in the Working Group that will prioritize projects for funding
- Where projects involve the assets or resources of the MBTA, the General Manager will have final approval of such projects
- Project development costs are an eligible expense under the fund
- Prior to beginning any new or expanded MBTA service, the parties must agree about responsibilities upon any termination of such service

Next Steps

- The parties expect to execute this agreement early this month
- Thereafter, the Working Group will be appointed with representation from the MBTA and MassDOT
- Ultimately, the goal is to expand the fund to include additional private contributions as more development occurs in and around Kendall Square