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Cambridge City Council  
Forest City Development Communication #4  
Idenix Lawsuit Policy Order #14  
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Perhaps we can learn something from Forest City's \$5 Billion dollar development in Atlantic Yards in Brooklyn.

According to research reported in the New York Times and the New Yorker, Forest City has repeatedly delayed previously announced targets for construction of affordable housing. Forest City did however recently break ground on the first of their promised housing towers, it is to be the world's highest modular housing building, at 32 stories. Modular in order to cut construction costs and increase construction speed, even while eliminating promised union construction jobs.

Forest City received affordable housing subsidies provided on the basis of the number of units in a building, not its total square footage, so Forest City has opted to greatly reduce the promised number of family sized units. Joan Tally, the Vice President of the New York City Housing Development Corporation has reported that Forest City's proposed unit mix of the affordable housing units includes just 11 percent family-sized units (two bedroom or larger), a substantial reduction from the 25 to 48 percent family-sized units proposed by Forest City in prior underwriting submissions. Forest City is building one bedroom and studio affordable housing instead of what was previously promised.

The proposed community benefits for Cambridge, i.e. 25 units, do not even mention unit size. This omission is either a serious oversight by the City Council or a subtle admission by the City Council that they do not believe that the units would ever be built by Forest City. When Forest City promises \$200,000 per unit to the City if the housing is not built, that amounts to chump change. Family-sized affordable housing, which we need, cannot be built for that price, considering land costs and construction.

I don't believe that Forest City has any intention of building those 25 units. If up zoning is granted to Forest City, NO occupancy permit should be allowed in their 300 Mass Ave building until 25 family-sized units are built. If Forest City is allowed to opt out of building the units, then the real costs of land and construction for family-sized two and three bedroom units should be part of the agreement.

Forest City could collaborate with MIT, which owns 300 Mass Ave., and units could be built on land, which is being held vacant for further development by MIT in residential areas, such as the lot on School and Cherry Street in Area 4, the Port.

The press in New York has rightly called affordable housing the Trojan Horse for Forest City and other developers. Developers and landowners offer affordable housing so that they can be the recipients of up zoning. Downtown Brooklyn rezoning made numerous property owners rich, as it dumped a whole lot of untapped value on them. As the Times reported, what is even better than a rezoning? It is an override of zoning for a particular applicant, essentially a private rezoning/spot zoning, and that's what happened with the Atlantic Yards Forest City project.

This sounds all too familiar to the residents of Cambridge.

We are giving away the future of the city when we sign off on various community benefits packages. The City Council congratulated themselves when Novartis promised \$1 million for their up zoning in Area 4. Forest City then uses the height and density of the Novartis development as a precedent for their own development. It was reported in the paper over the weekend that the Novartis board offered its outgoing chairman a \$78 million exit package, making the Novartis payment to Cambridge miniscule in comparison. Community benefits are the Trojan Horse for developers, and we settle for next to nothing from multi-billion dollar corporate entities.

We have time on our side... let's go back to the table, with community representatives, and delay any up zoning until we get it right. The Forest City petition does not expire until April 17, 2013.

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We can also learn from the Idenix noise ordinance battle that played out for several years in Area 4. (Also on the agenda) Idenix was able to occupy a building next to a residential section of Area 4, the Port, due to poor zoning. Once they were there, they were considered too big to fail, despite their inability to comply with the noise ordinance. The License Commission, facing a lawsuit from Idenix that would have overturned the entire noise ordinance, capitulated, and granted Idenix the first ever variance from the noise ordinance.

Once these giant pharmaceutical and bio-tech corporate entities gain occupancy, given the resources they have (Idenix was a tenant of Met Life, one of the world's wealthiest property owners, and Idenix was majority owned by Novartis, one the world's richest pharmaceutical companies) the city became no match for the limitless resources of these entities, and the noise ordinance became a paper tiger. The License Commission, under the influence of the City Manager, had and will have no intention of interfering with the development of the biotech boom in Cambridge, and given the resources of these corporate entities, the noise ordinance will be rendered useless in the face of unrelenting development.

I hope that these are lessons learned as we proceed down the path of up zoning in Central Square.