

Lopez, Donna

From: Alexandra Lee <lee@kendallsq.org>
Sent: Friday, February 20, 2015 10:02 AM
To: Rasmussen, Susanne
Cc: Rossi, Rich; City Council; Lopez, Donna; Kokinda, Ellen
Subject: Net Zero Energy Recommendations - KSA comments
Attachments: Net Zero Task Force letter 2_19_15 .docx

Dear City Manager Rossi, Susanne, City Councillors, Donna, and Ellen,

With all that you have had on your plate, we had postponed sharing our comments on the Net Zero Energy Recommendations.

Please find attached a letter from the KSA Board of Directors on the presentation that was done a few weeks ago by the City staff and consultant at the Chamber. Many members of our Board had comments and they are outlined in the attached letter.

Let me know if anything needs more clarification. Thank you for considering these comments.

We are thinking of you during this time.

Warmly,

Alexandra

--
Alexandra Lee
Executive Director
Kendall Square Association
510 Kendall Street
Cambridge MA 02142

[\(617\)-547-5772](tel:(617)547-5772)
lee@kendallsq.org
www.kendallsq.org



BOARD OF DIRECTORS

Tom Andrews
Alexandria Real Estate Equities

Christopher Barr
Biogen Idec

Kelley Brown
Massachusetts Institute of Technology

Tim Canon
DivcoWest

Brian Dacey
CIC

Tom Evans
Cambridge Redevelopment Authority

Alan Fein
Broad Institute

Sarah Gallop
Massachusetts Institute of Technology

William Kane
BioMed Realty Trust

Bryan Koop
Boston Properties

Annamarie Levins
Microsoft

Jeff Lockwood
Novartis

Ryan Mack
Facebook

Martin Mullins
Whitehead Institute for Biomedical Research

Michael Owu
Massachusetts Institute of Technology

Eric Quadrino
MexiCali Burrito Co.

Alan Smith
Boston Marriott Cambridge

Robert Urban
Johnson & Johnson Innovation

Steve Vinter
Google

C.A. Webb
New England Venture Capital Association

Tom Woolway
Twitter

(617) 547-5772

February 20, 2015

Susanne Rasmussen
City of Cambridge
Community Development Department
City Hall Annex
344 Broadway, 2nd floor
Cambridge MA 02138

Dear Susanne,

On behalf of the Kendall Square Association (KSA), I am pleased to offer our reactions to the Chamber-sponsored Net Zero briefing presented by Dave Ramsle of the Integral Group at the Microsoft Nerd Center on January 13, 2015. Thank you for providing that opportunity to all of us. Many members of the KSA attended the briefing and expressed their comments at the meeting and amongst themselves shortly thereafter. This letter describes most of the key points raised by the KSA members and suggests a working relationship that provides the business community an active voice in the process moving forward.

In summary, the KSA strongly supports and encourages the reduction of carbon emissions and the advancement of sustainable practice as long as it is done in a way that does not disproportionately compromise other values that we, as a collective community, are seeking to maintain.

Our comments are as follows:

We Should Align Our Sustainable Programs to Yield the Best Outcome

First and foremost, we, as members of the Kendall Square Association and as stakeholders of the Cambridge business community, consider ourselves stewards of environmental conscience and sustainable practice among the facilities and users we represent. Inefficient use of energy is socially and fiscally irresponsible and our continued improvements in sustainable practices, including the reduction of carbon emissions, is critical to maintaining our unique competitive position within the global innovation market. We take great pride in our recent advancements in sustainable practices and the environmental programs we have incorporated to date. We hope that the programs and investments we currently have underway are taken into consideration by the Net Zero Task Force's recommendations.

Looking Ahead, Stakeholder Participation is Important

The proposed Net Zero action items include several activities that are intended to roll out in a very short timeframe. Though we were assured that material regulatory actions would involve feasibility studies and committee reviews, the implementation of this process is not clear to us. At this point in time, we do not know who will participate and contribute to these reviews and influence their outcomes. We understand that an efficient rollout is important to the cause, but we believe that implementation of any action items, especially those in the short term, should be defined with greater detail and receive fair representation by the stakeholders involved. We are concerned that this process is advancing without adequate involvement from the business community and the key stakeholders who will be impacted by these proposed changes. And quite importantly, we also feel that our investments and expertise in sustainable design and process could significantly contribute to the advancement of the Net Zero effort.

Energy Consumption Is Not an Accurate Measurement of Efficiency

The Net Zero briefing communicated immediate actions that involve an energy fee and rebate structure that is based on building energy performance and a mandatory increase in green building requirements for new construction and retrofits. Kendall Square is one of the most dense innovation clusters in the world in terms of intensity of use and the number of companies per square mile. Building design standards and energy consumption within our facilities and uses vary widely and are driven by critical design and safety standards. We

OFFICERS

Alan Fein
President

Sarah Gallop
Vice President

Steve Vinter
Vice President

Michael Owu
Treasurer

Tom Andrews
Secretary

STAFF

Alexandra Lee
Executive Director

Tracy Wax
Director of Member and Community Relations

Cassandra Grey
Office Manager

are concerned that high intensity uses that require energy to perform certain research operations or maintain specific safety standards may be unfairly treated as their energy consumption is compared to other facility uses, thereby discouraging their discovery mission and forcing them to relocate to another region.

We Need to Reduce, Not Increase, the Cost of Doing Business in Cambridge

The business community within Cambridge is currently exploring ways to improve the region's global competitiveness. As research innovation is embraced as a key economic driver within other cities near and far, we face new competition that seeks to take away our talent base and market share. Knowing that our foothold in the innovation economy is a key economic driver for Cambridge in terms of tax revenue and jobs, we consider this threat to be a priority for the City itself, not just the business community. Among the key challenges that we currently face is the rising cost of doing business in Cambridge and the eastern Massachusetts area. This matter not only impacts big organizations that seek to relocate jobs or do large scale business transactions in Cambridge but, more importantly, it discourages the smaller companies that serve as the innovative and entrepreneurial core of our thriving research and technology sector. We are deeply concerned with the current state of economic efficiency within Cambridge and we're working very hard to resolve this problem. Adding costs and new requirements to our business infrastructure will be a significant setback to this economic effort and send the wrong message to the business community.

Rolling Out Now Will Contribute to Planning Uncertainty

As the City plans for new areas of smart growth and community development, it's important that a clear regulatory path is understood by both the residential and investment communities. A significant disruption to the current definition of zoning and business requirements will introduce risk-adjusted discounts to Cambridge land values, hesitation in future business investments in job growth and uncertainty for current Cambridge commercial and residential tenants. The action items and goals that were presented on January 13 yielded many questions and concerns that need to be addressed before the Net Zero recommendations are released to the public. We are concerned that moving too quickly with the presentation of this agenda will create unnecessary uncertainty in our community and slow our economic development.

In closing, the concerns listed above confirm that the City of Cambridge and the Kendall Square business community share a mutual desire to seek the highest achievements in sustainable practice while maintaining our competitive position within the global marketplace. Moving forward, we think it's imperative that any regulatory changes that are proposed to the City Council and the public result from an interactive working relationship that provides the business community fair representation and sufficient time to participate in the dialogue. We ask that you seriously consider our concerns and engage us immediately in this process.

Alan Fein
President, Kendall Square Association
Executive Vice President, Broad Institute of MIT and Harvard

cc: Getting to Net Zero Task Force
City Manager Richard Rossi
The Honorable Cambridge City Council
City Clerk Donna Lopez