

MLDA Public Feedback
Compiled 2/16/17-2/23/17

General Questions

- Can we have more time for review?

The MLDA has been available to the public for approximately three weeks prior to the SRA's Public Hearing scheduled for March 8th. In addition, the MLDA has been discussed at two SRA board meetings and was the single subject of a meeting held by the Board of Aldermen's Housing & Community Development Committee of the Whole last week.

- Can there be a public comment period?

There has been a public comment period for approximately three weeks prior to the SRA's Public Hearing scheduled for March 8th.

- Will there be a public hearing?

- Yes, the SRA will hold a public hearing and special meeting on Wednesday, March 8, 2017 at 5:30 p.m. in the Aldermanic Chambers, 2nd Floor, Somerville City Hall
- The SRA is accepting public comments on-line. Please send your comments to ehedeman@somervillema.gov

- Community Benefits Agreement

- Will the MLDA include language which requires US2 to enter into a CBA?
- No. This language is already in the Development Covenant. However, the MLDA does require US2 to comply with the Development Covenant or else US2 will be in breach of the MLDA.

MLDA- Financial Questions

- Deposit

- Is the deposit in line with industry standards?
- Yes, the deposit of 2.5% of the purchase price is generally within industry standards. Please note, in any given transaction the amount of a deposit can vary depending on the specifics of the property, the terms of the sale, and other considerations between parties.
- Are there additional future deposits required beyond the initial deposit?

- No, however, it is important to note that US2 has already made substantial payments to the SRA to underwrite the costs of the SRA's outside counsel and relocation consultant services. The work of these consultants has been critically important to the SRA's ability to advance the goals of the Union Square Revitalization Plan. Additionally, the developer has funded the cost of consultant services related to the drafting of the City's Union Square Neighborhood Plan.
- How were the terms and pricing for D-2 parcel determined?
 - The purchase price and terms related to the sale of the D-2 site were established so that land assembly costs funded by the City (including acquisition, relocation, and demolition) would be recovered via the sale of the property. In addition, the Master Developer was obligated to pay for the SRA's costs to engage consultants for legal and relocation services. Lastly, a major condition of the sale of the property is that the Master Developer will be responsible for any additional costs related to the SRA's eminent domain takings including the risk of any successful damage claims by parties that owned and/or occupied any of the acquired parcels.
- Is the purchase price indexed with inflation?
 - No, the purchase price for the D-2 parcel is not indexed for inflation; however, should there be any judgments against the SRA related to the eminent domain takings that occurred as part of the assembly of the D-2 site there would be additional time adjusted costs to US2.

MLDA- Infrastructure Questions

- Why is the City investing significantly more money than US2 on infrastructure improvements?
 - The infrastructure investments are necessary to address the area's longtime flooding problems in Union Square that have existed well before the selection of a master developer.
- What is the timeline for infrastructure work to be completed by the City? What is the penalty for non-compliance by the City?
 - The projected infrastructure timeline is indicated in Exhibit M of the MLDA. This exhibit will be further clarified, but ultimately the funding, scope, and schedule of the infrastructure improvements will be determined by the decisions of the Board of Aldermen. There is no penalty for non-compliance with the projected timeline since the MLDA does not bind the City to act, however delays in the infrastructure construction will delay the start of US2's construction.

MLDA- Timeline Questions

- Why does the agreement provide US2 a long timeline to start construction?
 - It is customary for developers to have all permits and contingencies satisfied before starting a project. The Green Line and the necessary infrastructure improvements are additional contingencies.
- Are there specific deadlines for the conditions and contingencies for closing?
 - No.
- Has the SRA or the City's OSPCD staff reviewed the Master Project Schedule/D2 Project Schedule? Is the MPS/D2PS enforceable?
 - Yes, the schedules related to this development have been the subject of review during the last two years of negotiations with the developer. Yes, there are deadlines for the development that are enforceable by the SRA.

MLDA- Use Questions

- Why is residential allowed to be constructed before commercial on the D2 block?
 - As has been discussed in many prior public meetings, the residential development is planned as the first major investment by the Master Developer. The housing development will parallel the construction of the MBTA's Green Line station, enhance the active urban environment of Union Square, and help create attract other investment in job creative uses.
- How does the 711,000 SF of Gross Floor Area and the 150,000 SF of commercial work with the proposed 60/40 split within zoning?
 - The 711,000 SF of Gross Floor Area is a mathematical calculation to determine the maximum buildout under current zoning. This figure is used to describe the Baseline Project, which is the yardstick for purchase price adjustment.
 - The proposed 60/40 split (the proportion of commercial and residential development respectfully) is not a requirement for any one site but, rather, the target for development over the entire seven Development Blocks.
 - The MLDA requires US2 to comply with zoning.
- What is considered open space? Is this space open and accessible to the public?
 - Open space is as defined under zoning. This question arose because the MLDA specifically mentions that a street that US2 will build to bisect the D-2 Block will be open

to the public and built to City standards; in other words, not a private way under their control.

MLDA- Other Questions

- Does the MLDA include a *force majeure* clause?
 - Yes, a *force majeure* clause is in Article XI.B on p. 46 of the MLDA.
- Is there a definition section, or does the MLDA include definitions as terms are used?
 - Definitions are provided as terms are used in most cases.
- What is the GLX Contribution, Infrastructure Contribution, Community Benefits Contribution, Future Phase Contribution?
 - These are defined terms in the Development Covenant. They are the four separate funds that US2 will pay into as development occurs.