

CMA 2025 #19
IN CITY COUNCIL
January 27, 2025

To the Honorable, the City Council:

Please find attached a memorandum regarding an update to the Municipal Facilities Improvement Plan from Deputy City Manager, Owen O’Riordan and Director of Capital Building Projects, Brendon Roy.

Very truly yours,

Yi-An Huang
City Manager





City of Cambridge

Capital Building Projects Department

Date: **January 22, 2025**

Re: **AW: 24-31** **Provide an update to the Municipal Facilities Improvement Plan (MFIP) including revised cost estimates to help inform the FY26 and ongoing capital budget priorities in a timely manner.**

The City of Cambridge has invested several hundreds of millions of dollars in municipal facilities over the past thirty years. While most of that money has been spent on our **public schools**, significant investments have also been made in **new public safety facilities, a new main library, an additional youth center, a multi-service center** in Central Square and in a **new water treatment plant** at Fresh Pond.

Municipal Facilities Improvement Plan and Update

In 2018 the **Department of Public Works** completed an assessment of 43 municipal buildings across the city to better understand where additional investment would be necessary to ensure these facilities were maintained at a reasonable level of repair. These buildings included administration buildings, fire department buildings, libraries, youth centers, operations buildings at DPW, Traffic and the Electrical Department as well as other smaller buildings in the municipal portfolio. The assessment was called the Municipal Facilities Improvement Plan (MFIP).

During the past year, the **Capital Building Projects Department** has revisited the MFIP assessment and has begun to further refine the assessment to include the Building Energy Use Disclosure Ordinance (BEUDO) and space planning. The MFIP re-assessment is ongoing presently, with an expected completion date later this calendar year. The update will provide capital planning options under various budget scenarios over the next 10 to 15 years providing more details as capital investment priorities are reviewed.

Whole Building Perspective

As the City reviews building conditions and establishes programmatic priorities, there are various layers of complexity associated with defining priorities and determining the sequence of projects. Philosophically, the City has looked at these facilities from a **whole building perspective**, specifically:

- (a) **Safety:** The stability and safety of the building structures and components as well as fire and life safety systems, structurally, and more broadly from a public safety perspective.
- (b) **Building Systems:** The age and condition of the mechanical and utility infrastructure that service the building

- (c) **Energy and Emissions:** The impact of these buildings on the City’s environmental footprint,
 - (d) **Indoor Environmental Quality:** Health and comfort for the buildings in terms of occupants and visitors,
 - (e) **Accessibility:** The extent to which occupants and visitors of varying abilities can navigate these facilities and access those who can help them,
- Finally,
- (f) **Historic Preservation:** The character of buildings and their historic vintage.

Completed MFIP Projects

Since 2018, the City has completed a variety of deferred maintenance and improvement projects including:

Gut rehabilitation projects

- Two fire houses, Lexington Avenue and River Street
- Simard Building at 147 Hampshire Street

Roof and envelope replacement and repair

- Moore Youth Center
- Lombardi Building
- The Senior Center
- The Shop (Old Firehouse at Third & Gore)

Mechanical System Upgrades

- East Cambridge Fire House
- Ryan Garage at DPW

Façade and other building improvements

- City Hall
- City Hall Annex
- Taylor Square Fire House
- Inman Square Fire House

Fire notification systems

- Finally, **fire notification systems** at 10 of the major buildings across the City have been replaced and upgraded to state-of-the-art systems over the last four years.



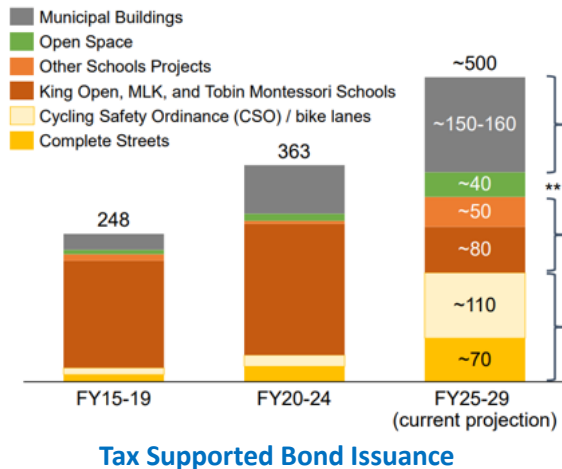
Moore Youth Center



River Street Firehouse

Financial Considerations

As indicated on December **11th, 2024, Finance Committee** meeting about Public Investment, a preliminary estimate of spending associated with municipal facilities over the next five years is between \$150 and \$160 million dollars. The most immediate and significant portion of that will be spent on the completion of the **Fire Headquarters building (\$49m)** project.



The next largest sums are associated with a number of **DPW facilities (\$30m)** and the renovation of **105 Windsor street (\$23.5M)**. The DPW facilities include the reconstruction of the **salt shed** at Saint Peter’s Field, the reconstruction of the **DPW yard** at 147 Hampshire Street, and starting facilities construction at either the **Bellis Circle** site or at **Mooney Street**, recognizing that additional investment will ultimately be needed in subsequent years to complete the necessary improvements at one or both locations to sustain DPW operations.

Additional preliminary allocations associated with compliance with the **Building Energy Use Disclosure Ordinance (BEUDO)** and general **deferred maintenance** projects account for approximately \$35m of the remaining funding projected over the next five years. It should be noted that the figures provided above are figures captured at a particular moment in time and are subject to change depending on the economic environment, conditions on the ground in terms of infrastructure deterioration and the future bidding climate in the region.

Deferred Maintenance

An annual allowance for **Deferred Maintenance** will support smaller maintenance projects as well as providing additional funding for unforeseen additional repairs in renovation projects of existing municipal buildings. Currently, \$17m is allocated over 5 years to support this work, which includes potential additional costs associated with targeted building system upgrades at the Moses Youth Center, repairs to the Geothermal system at City Hall Annex, and systems upgrades at East Cambridge Firehouse and the Healy Public Safety Building.

In addition, this allocation will support smaller maintenance projects in the range of \$50,000 to \$500,000, such as facade repairs, HVAC component replacements, and roof repairs. Anticipated FY26 deferred maintenance projects include HVAC repairs at O’Connell Library, HVAC improvements on the third floor of City Hall, a facility assessment at 51 Inman, repairs at the Healy Public Safety Building garage, and various upgrades to municipal offices.

BEUDO Implementation

The City's **BEUDO ordinance** requires the elimination of on-site greenhouse gas emissions (for commercial buildings larger than 25,000 sf) by 2050. This requirement applies to approximately 26 City owned municipal buildings and schools. The City's Virtual Power Purchase Agreement (VPPA), which accounts for emissions associated with on-site electricity use will go into operation in 2026. The VPPA is expected to drop our emissions by approximately 70% over a



BEUDO Emissions Targets for Municipal Buildings

2010 baseline. This more than meets our 2030 BEUDO requirement of decreasing emissions by 40% (small BEUDO buildings) to 60% (large BEUDO buildings). By 2035, emissions associated with large buildings over 100,000 sf must be reduced to zero, and mid-sized buildings must achieve a 60% reduction, for an aggregate 86% reduction requirement. The challenge moving forward will be how to best to hit our next decarbonization targets by the elimination of emissions associated with on-site fossil fuels in

these municipal buildings.

The current budget request for the Municipal Facilities Improvement Plan includes an average annual allowance for BEUDO implementation of \$3.6m over 5 years. This funding will support detailed building assessments, feasibility studies and construction projects related to decarbonization of the City's municipal building portfolio.

Future Considerations

As we further assemble relevant information concerning municipal facilities and further refine priorities, deferred maintenance in and of itself is an inadequate determinant to inform future public investments. Given the urgency prescribed in the BEUDO Amendment in 2023, the transformation of building heating and cooling needs to fossil-fuel free sources of energy will profoundly impact prioritization and investment levels in facilities. It should also be recognized that carbon footprint reductions on a cost/benefit basis for some buildings will, at least in the short term, be very unattractive from a financial investment perspective, a service disruption perspective and from space utilization perspective.

Given these concerns, it will be necessary to more broadly consider what suitable municipal facilities of the future look like from a community perspective, rather than from an individual building perspective. It may be more appropriate to consider consolidation of administrative offices in the City to reduce the City's overall portfolio of buildings and to concentrate the value that can be achieved through future investment. This could be approached in a way that

optimizes return on investment, improves the customer service experience for residents and businesses, reduces our emissions and improves the workspaces we provide for City employees. Additional discussions will be needed to further consider this and other options upon completion of the current studies.