



ECONOMIC DEVELOPMENT & UNIVERSITY RELATIONS COMMITTEE

COMMITTEE MEETINGS

~ MINUTES ~

Thursday, February 15, 2024

12:00 PM

Sullivan Chamber

The Economic Development and University Relations Committee will hold a public hearing on Thursday, February 15, 2024 from 12:00p.m.-2:00p.m. to discuss the current lab, office, and retail vacancies in Cambridge and their expected impact on City revenues in the near and long term.

Attendee Name	Present	Absent	Late	Arrived
Marc C. McGovern	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sumbul Siddiqui	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Jivan Sobrinho-Wheeler	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	12:05 PM
Paul F. Toner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ayesha M. Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

A public meeting of the Cambridge City Council's Economic Development and University Relations Committee was held on Thursday, February 15, 2024. The meeting was Called to Order at 12:00 p.m. by the Chair, Councillor Toner. Pursuant to Chapter 2 of the Acts of 2023 adopted by Massachusetts General Court and approved by the Governor, the City is authorized to use remote participation. This public meeting was hybrid, allowing participation in person, in the Sullivan Chamber, 2nd Floor, City Hall, 795 Massachusetts Avenue, Cambridge, MA and by remote participation via Zoom.

At the request of the Chair, Clerk of Committees Erwin called the roll.

Vice Mayor McGovern – Present/In Sullivan Chamber

Councillor Siddiqui – Present/Remote

Councillor Sobrinho-Wheeler – Absent*

Councillor Toner – Present/In Sullivan Chamber

Councillor Wilson – Present/In Sullivan Chamber

Present 4, Absent – 1. Quorum established.

*Councillor Sobrinho-Wheeler was marked present and remote at 12:05p.m.

The Chair, Councillor Toner offered opening remarks and noted that the Call of the meeting was to discuss the current lab, office, and retail vacancies in Cambridge and their expected impact on City revenues in the near and long term. Present at the meeting was Iram Farooq, Assistant City Manager for the Community Development Department (CDD), Pardis Saffari, Director of Economic Development, Gayle Willett, Assessors Director, and Claire Spinner, Assistant City Manager of Finance. Chair Toner shared that Councillor Pickett, Councillor Nolan, and Mayor Simmons were present as well. Chair Toner introduced the panelists, Beth O'Neil Maloney from the Kendall Square Business Association, Nancy Donohue from the Cambridge Chamber of Commerce, and Denise Jillson from the Harvard Square Business Association.

The Chair, Councillor Toner recognized Nancy Donohue and Beth O'Neil Maloney who offered opening remarks on how the economic impact has been affecting the community.

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The Chair, Councillor Toner recognized Gayle Willett who noted the importance of engaging with the local businesses and business associations. Gayle Willett shared that having these conversations is a way for the Assessing Department to have a better understanding of the current commercial property environment. Gayle Willett shared that the Assessing Department continues to collect data and review market trends. Gayle Willett provided additional comments relative to the lab and office markets, vacancies, and new growth.

The Chair, Councillor Toner recognized Iram Farooq who offered comments on how many components and factors play a role in helping sustain the current Cambridge economy. Assistant City Manager Farooq noted that although Cambridge is in a better place than some communities economically, the City is not exempt from the impacts and changes on how people are working and shopping. Iram Farooq shared the importance of how on a municipal level the City should be available to support the business community and residents during the readjustment phase after the impacts of the pandemic.

The Chair, Councillor Toner recognized Pardis Saffari who echoed comments made by Gayle Willett and Iram Farooq and offered examples of how the Economic Development Department within CDD is working to make sure databases are up to date to update and continue to do analysis relative to storefronts and vacancy.

The Chair, Councillor Toner recognized Claire Spinner who provided comments on how the economic impact and the FY25 budget and future budgets are being looked at, highlighting that the City remains a fiscally strong municipality in terms of finances.

The Chair, Councillor Toner recognized Councillor Siddiqui who offered comments and questions related to vacant storefronts, particularly the vacant movie theater on Church Street in Harvard Square. In addition, Councillor Siddiqui asked how hybrid work policies are now affecting local businesses. Denise Jillson responded and shared that with the movie theater no longer being opened, neighboring businesses on Church Street have felt the effect, with some businesses closing. Denise Jillson also provided examples of how hybrid work is affecting businesses within Harvard Square due to the decrease in foot traffic. Denise Jillson shared that out of the 311 business locations in the Harvard Square Business Overlay, there are currently 23 vacant storefronts. Denise Jillson provided suggestions on how Harvard Square can continue to be a destination for visitors. Beth O'Neil Maloney highlighted the importance of residents taking advantage of the opportunities that are within the community in addition to bringing in visitors to experience what the City has to offer. Councillor Siddiqui shared that it may be beneficial for the City to look at their role in some of the longer-term vacancies.

The Chair, Councillor Toner recognized Vice Mayor McGovern who offered comments on vacant properties and the differences between large property owners and small property owners, and how the vacant properties impact the economy and the community differently. The Vice Mayor added that it is the role of the City Council and the City to not only think about the current economy, but to consider the impact on the economy in 20 to 50 years from now, and to plan thoughtfully and efficiently. Vice Mayor McGovern shared the importance of having labs in the community, noting having labs is what helps provide the funding towards other initiatives, like bike lanes and early childhood education. The Vice Mayor added that it is important for residents to fully understand the positive impact labs provide to the community and encouraged that more outreach should be done to provide information on the role of labs in Cambridge. Vice Mayor McGovern shared that it may be good to look at how vacant office spaces in Cambridge could potentially help with the housing crisis. Beth O'Neil Maloney shared that the Kendall Square Business Association recently published, and posted on their website, Kendall Square's

impact on Cambridge, Massachusetts, and the World. Beth O'Neil Maloney asked for the City's help in creating data on the financial impact Kendall Square has had in Cambridge. In addition, Beth O'Neil Maloney provided comments and suggestions on how Kendall Square can attract visitors to the Square. Iram Farooq and Gayle Willett were recognized for comments and provided responses and suggestions to comments that were made by the Vice Mayor. Iram Farooq highlighted the importance of the role policy making plays when supporting economic needs. Gayle Willett provided an overview of current abatements within the City, noting that her department continues to conduct outreach with business owners to discuss issues with the current market.

The Chair, Councillor Toner recognized Councillor Sobrinho-Wheeler who offered suggestions on ways the City can help support those interested in converting office space to residential space, and noted that it should be an easy process in order to help produce more affordable housing. Councillor Sobrinho-Wheeler asked if vacant parking spaces within vacant buildings could be rented out to residents under zoning requirements. Iram Farooq responded to the zoning question that was brought forward and shared that those spaces are not able to be rented out for different use unless it is authorized through a special permit.

The Chair, Councillor Toner recognized Councillor Nolan who pointed out that many vacant storefronts in her neighborhood are now being used at preschools, and asked if this is a trend that is happening City wide and in other neighboring communities. Pardis Saffari shared that this is something that her department can research to get data. Iram Farooq offered comments on how additional preschools in the City have multiple benefits, occupying spaces and providing care for working parents. Councillor Nolan asked if there was any information regarding sales data for vacant parcels, and if Cambridge is seeing similar trends as Boston. Gayle Willett responded, noting that Cambridge has not seen the dramatic decrease in sales that Boston has seen.

The Chair, Councillor Toner recognized Councillor Pickett who asked CDD what type of building permits are being requested. Iram Farooq responded and shared that there has been a slowdown in both special permits and building permits, and offered examples as to why this may be happening. Claire Spinner provided additional comments relative to permits and the City's current budget and how future budgets will be looked at. Gayle Willett and Beth O'Neil Maloney were recognized for comments.

The Chair, Councillor Toner recognized Councillor Wilson who shared that she would be interested in knowing how many businesses in Kendall and Harvard Squares are employing Cambridge residents. Councillor Wilson noted that it is important to look at the vacancies and think about what the City's goals are with them. Iram Farooq and Pardis Saffari responded, noting that having flexibility for smaller businesses to come in and looking at the needs of different neighborhoods are important. Pardis Saffari shared examples of how the City has helped businesses in the past. Councillor Wilson encouraged the City to look at partnering with entrepreneurs and to help with filling vacancies.

The Chair, Councillor Toner offered closing comments and suggested that the Business Associations reach out to their members and think about what other services would be helpful that City can do that they are already not offering.

The Chair, Councillor Toner recognized Vice Mayor McGovern who made a motion to adjourn the meeting.

Clerk of Committees Erwin called the roll.

Vice Mayor McGovern – Yes

Councillor Siddiqui – Absent

Councillor Sobrinho-Wheeler – Yes

Councillor Toner – Yes

Councillor Wilson – Yes

Yes – 4, No – 0, Absent – 1. The meeting was adjourned at 2:00p.m.

Clerk's Note: The City of Cambridge/22 City View records every City Council meeting and every City Council Committee meeting. This is a permanent record. The video for these meetings can be viewed at:

https://cambridgema.granicus.com/player/clip/665?view_id=1&redirect=true

A communication was received from Councillor Toner, transmitting an article titled "Economic uncertainty impacted Cambridge's 2023 office market".