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IFMA holds networking breakfast to discuss Kendall Square in Cambridge

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A candid behind-the-scenes look at the colorful past and dynamic future of Kendall Sq.'s life science cluster was presented by IFMA Boston on September 16th. The networking breakfast and living room-style panel discussion was held in the atrium lobby of 650 East Kendall St.

The program was produced as a benefit for the Cystic Fibrosis Foundation (CFF), and was jointly hosted by IFMA Boston, R&D Network, MassBio and BioMed Realty Trust. The event raised \$13,500 for CFF, including a \$5,000 donation by Berry, a division of Suffolk Construction, at the breakfast.

David Clem, managing partner for Lyme Properties, entertained the audience with his stories about the serendipitous evolution of real estate development in the Sq. An accident of history - the shift of a planned NASA headquarters campus from East Cambridge to Houston - provided the real estate opportunity that would gel many years later.

In the early days of Camelot, new president John F. Kennedy announced a plan to locate NASA's headquarters in Kendall Sq., right next to MIT. The federal government began acquiring the land for a NASA campus. After 250 businesses were eliminated and a large portion of the city's manufacturing base of jobs and tax revenue erased, JFK was assassinated. Lyndon Johnson changed the plan within months of becoming president in 1963. NASA built in Houston, LBJ's home turf.

After two decades of sparring with the federal government, the city with the help of house speaker Tip O'Neil purchased the land back for \$1. In an effort to generate tax revenue, the zoning push for mixed use redevelopment began, with Clem a Cambridge city councilor at the time.

This land transfer was the catalyst for developers including the Athenaeum Group and Lyme Properties to tap into the demand for R&D and lab space close to MIT and Harvard.

The panelists traded stories about the opportunities and challenges of developing in Kendall. Alfred Vaz, who opened a major facility for Biogen in 1981, and is currently senior VP of facilities and operations at Vertex Pharmaceuticals, recalled the early development days. He described the climate at the time, including the fear in so many communities of life science research. Cambridge residents and political leaders were more accepting of the notion of hosting labs in close proximity to residential neighborhoods, thanks to the outreach done by the companies who came in to the Sq. in those formative years.

Looking ahead at the future prospects for life science development and redevelopment, the panel discussed some of the constraints and opportunities. These include:

*Thanks to emerging technologies including Building Information Management (BIM), the cost of

building complex lab and research facilities will be less in the coming years, said Shawn Donovan, partner and chief operations officer for Berry. He described the new modeling and project integration capabilities of BIM as a powerful tool for development and a game changer for owners, architects and builders.

*Architect Dan Winny, who worked with Davis Clem for many years at Lyme, talked about the opportunity that will continue to drive development in the Sq. With MIT next door, the need to have a place to spin out ideas into commercial space will continue, he observed. Winny is a principal with Winny Architects, designers and consultants for life science development projects.

*One of the most promising sites for redevelopment in Kendall Sq. is the Department of Transportation building, which sits on what Clem described as "an underused site." The barrier to its redevelopment is a reluctant owner, according to the panel.

*Edge development is a challenge, all agreed, in part because most companies attracted to Kendall Sq. want to be within walking distance of the biotech cluster. A 1970s planning study done for the city of Boston was cited as one of the reasons why Boston lags Cambridge in life science development. The study recommended spreading out the development in order to impact several neighborhoods. While well intended, the notion diluted the benefit of a compact location such as Kendall.

*Risk factors facing new development include the cost as a barrier to many emerging companies. Clem pointed out that 75% of the life science space in the Square is leased by six big companies. When one of these decides to relocate, the effect on the lease market would be significant.

The panel program was moderated by city native Dan O'Connell, president and CEO of the Massachusetts Competitive Partnership. The program ended with a moving personal story from audience member Steve Frasca of Window Film Depot. He relayed the news that his two grandchildren are battling Cystic Fibrosis, aided in their fight by a therapeutic drug developed in the city and manufactured by Vertex Pharmaceuticals.