



CELEBRATING
55 YEARS

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Combined Cambridge Business Association holds meeting on Kendall Square

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It's estimated that some \$3 billion has been invested in Kendall Sq. since 1987, with an average of \$300 million added each year to the city's tax base. The windfall of investment has benefited the city's coffers and has added value to the neighborhood. And experts say the momentum is still growing.

A recent meeting of the Combined Cambridge Business Associations (CCBA) held at police headquarters drew some 60 movers and shakers from the city and beyond - representing business, healthcare, academic, law enforcement, social service and non-profit agencies joined by department heads and elected officials - for an overview of Kendall Sq.'s history and its economic impact on the rest of the city and region.

Program host was legendary businessman, civic leader, philanthropist and CCBA founder Carl Barron. Barron, who founded the group 28 years ago, gave high praise to the city's extraordinary leadership team led by city manager Robert Healy and deputy city manager Richard Rossi. Also present was mayor Henrietta Davis.

A slide show by Cambridge Historical Commission chairman Charles Sullivan illustrated how the city - and the Kendall Sq. area in particular - evolved from a shipping and manufacturing center in the mid-1800s to become one of the world's leading technology and research hubs.

Chief assessor Robert Reardon traced the area's boon times - from an industrial focus in 1925, to a leading research center for NASA in 1964, to the modern era with the birth of Technology Sq. in 1970.

Reardon compared several Kendall Sq. parcels, showing assessed values and real estate taxes a quarter century ago compared with today's figures for the same parcels. In one example, he showed that the Tech Sq. section paid real estate taxes of \$2.1 million in 1984 versus \$11.2 million today on an assessed value of \$528 million. He noted how the legendary NECCO candy building had an assessed value in 1984 of \$82 million and paid \$2.7 million in taxes, versus today, on the same location, Novartis pays taxes of \$23 million on its property valued at \$1.1 billion.

Reardon said the Kendall Sq. area equals 46% of the entire city's assessed value and accounts for 46% of its real estate tax revenues. He added, "Hardly a week goes by that we don't get an inquiry from a business looking for 50,000 s/f in the Kendall Sq. area. We're in the enviable position to have \$100 million in excess capacity to raise taxes - if needed."

Assistant city manager Brian Murphy said Cambridge deserves kudos for doing development properly, "to make it one of the most exciting places on earth to live, learn, work and play." He listed several companies that have chosen Kendall Sq. for new offices and/or expansion, including Google, Microsoft, Biogen, BioMed, Pfizer, the Broad Institute, MIT's Sloan School. Despite the recession, Biogen has two new buildings underway - 190,000 s/f and 300,000 s/f. Skanska is

building a 108,000 s/f building.

MIT hopes to re-zone the area around the campus to make room for more development between Kendall and Central. Biogen Idec has plans to expand into a huge campus, in conjunction with two major developers. This piece alone will mean \$500 million in development and create 1.7 million s/f of new space - plus more jobs and more tax revenue.

Murphy said a key factor that makes the city in general and, specifically, Kendall Square so desirable, is that large companies are bringing jobs and paying taxes that, in turn, helps to keep down everyone's real estate taxes. This translates into lower water/sewer rates, and high quality schools, libraries - even the state-of-the-art Public Safety building where the meeting was held. Tax revenues from the large corporate citizens help to keep taxes lower for smaller businesses and landlords. He said, "We're at the epicenter of innovation that others want to be part of. We have created a vibrant environment for interactive development - as exciting when you look up at the buildings as when you see what's happening at street level. We're a cohesive city where all departments work together."

Deputy city manager Richard Rossi said, "The next 30 years will be just as exciting as the last 30."

Carl Barron, who recently celebrated his 96th birthday, lauded city leaders for maintaining Cambridge's top financial standing with a triple AAA bond rating and its strong administrative rating under the leadership of City Manager Robert Healy and his administration. Barron said, "Where else can you get together for an informal lunch with such a broad cross-section of top people from across a city. It doesn't happen anywhere else."

Shown (from left) are: Carl Barron, founder & chairman, CCBA and partner, CARU Associates; Richard Rossi, Cambridge deputy city manager; Brian Murphy, assistant city manager/Cambridge Community Development dept.; Charles Sullivan, chairman, Cambridge Historical Commission; Robert Reardon, chief assessor; mayor Henrietta Davis; and Stan Hurwitz, public relations consultant.

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