

December 22, 2021

Planning Board
Town of Lexington
1625 Massachusetts Ave
Lexington, MA 02420

Re: 95 Hayden Avenue and 128 Spring Street (99 Hayden Avenue), Proposed Planned Development District PD-6 – Preliminary Site Development and Use Plan

Dear Board Members:

This letter is in support of the Preliminary Site Development and Use Plan (PSDUP) filed by Hobbs Brook Real Estate LLC (Hobbs Brook) with a Petition to rezone the above property to a Planned Development District (PD-6); and as included in a Warrant Article to be presented to the 2022 Annual Town Meeting:

INTRODUCTION AND BACKGROUND

Hobbs Brook is a Waltham-based real estate investment and development company, with a history spanning nearly 70 years in the greater Boston commercial real estate market. They are an innovative investment and management company that brings a progressive and dynamic approach to design and development by focusing on creating resilient and sustainable work environments. In doing so, Hobbs Brook aims to add value to properties by investing in energy efficient design, LEED certification, and rich amenity programs that enhance the user experience.

Hobbs Brook began planning for redevelopment of the Ledgemont Technology Center in Lexington in the summer of 2021. Since then, Hobbs Brook has assembled a professional design team and met with key stakeholders to advance their plans to reposition the campus as a leading life science property within the Hayden Avenue life science cluster.

Throughout the Fall of 2021, Hobbs Brook and its team reviewed its preliminary plans with town officials and staff (including conducting a site walk), representatives of the South Lexington Civic Association and with interested residential neighbors. Following these preliminary discussions, on October 19th, Hobbs Brook filed a sketch plan which was reviewed initially by the Planning Board on November 3rd and then again on November 10th. The public had the opportunity to comment during these presentations. Thereafter, Hobbs Brook met with the Economic Development Advisory Committee (EDAC) on November 18th as well as the Select Board on December 6th.

EXISTING CONDITIONS AND PERMITTING

The combined site includes approximately 36 acres of land area in the CD-14 zoning district, at the intersection of Hayden Avenue and Spring Street in the heart of Lexington's burgeoning life science corridor. The site currently contains an office and lab building complex, two parking garages, and associated surface parking totaling 1,114 spaces and site improvements, totaling 416,354 square feet of building area.

In 2009, Town Meeting approved a PSDUP for the site to allow for the construction of a third main office and lab building of approximately 162,000 square feet on an undeveloped portion of the northern side of the property to be known as Three Ledgemont, but this building was never built.

Hobbs Brook subsequently purchased the 95 Hayden Avenue property in 2012 and the 99 Hayden Avenue property in 2020. During Hobbs Brook's ownership of these properties, space within the existing buildings has been leased to numerous life science companies and Hobbs Brook has made a number of significant investments in the property, including the installation of a 1 MW solar installation on the roof of the parking garage. However, certain aspects of the existing buildings on the property present challenges to continuing to attract innovative life science tenants, largely due to the age and design of existing buildings within the campus.

REDEVELOPMENT PERSPECTIVE

Hobbs Brook believes that reinvesting in this property through new construction and renovations to reposition it as a leading life science campus is not only commercially more viable than maintaining the existing conditions, but is also significantly more desirable. Located just off of Route 2 in Lexington, the property sits within the vibrant Hayden Avenue life science cluster. Improved, modern commercial buildings here will benefit from accessibility to transportation infrastructure, as well as proximity to the adjacent conservation trails and conservation lands, while reciprocally benefiting from, and providing benefit to, the robust life science community in Lexington.

In furtherance of these redevelopment objectives, Hobbs Brook intends to raze select buildings on the south end of campus, replace them with two new life science buildings, extensively renovate adjacent existing buildings, and create additional structured parking tailored to actual demand. Upon completion, this phased redevelopment of the southern portion of the site would result in a total gross floor area of 743,204 square feet, representing a net increase in building area of approximately 326,850 square feet from the existing 416,354 square feet.

REASONS FOR REZONING; COMPARISON TO EXISTING ZONING

For planned development districts and rezonings, the Board's Zoning Regulations request explanation and justification of the rezoning, with Section 8.6.12 specifically requesting reasons why a change to the proposed zoning district proposed is justified and is considered appropriate for the area, Section 8.6.13 requesting comparison of development permitted in the existing district, including gross floor area (GFA), net floor area (NFA), and floor area ratio (FAR) comparisons of existing to proposed.

In 2009, the past owners of the property obtained Town Meeting approval of a PSDUP (2009 Ledgemont PSDUP) for the development of Three Ledgemont, a proposed lab and office building on the northerly side of the campus. The Three Ledgemont building was to contain

162,000 gross square feet of building area, with an underground parking garage containing 415 new parking spaces, and associated improvements.

Although the proposed PSDUP does not contemplate uses drastically different from those enabled by the 2009 Ledgesmont PSDUP, the desired redevelopment, location and details of construction differ meaningfully. Consequently, the purpose, as required by Section 8.6.12 of the Zoning Regulations, of this rezoning is to eliminate the 2009 Ledgesmont PSDUP and replace it with zoning that will enable the present redevelopment plan. Doing so is necessary for this redevelopment to occur while complying with Section 7.3.2 of the Zoning Bylaw, which asserts that “no development may occur in a PD District except in substantial conformity with a preliminary site development and use plan approved by Town Meeting, the provisions of this section and site plan review under § 9.5.”

Section 8.6.13 of the Zoning Regulations requires “[c]omparison with development permitted in the existing zoning district,” specifying that in “the case of land in an existing commercial district, an analysis showing the amount of gross and net floor area and the floor area ratio of existing development on the site and the amount of gross and net floor area that would be permitted if the site was developed to the maximum floor area ratio in the existing district.”

The 2009 Ledgesmont PSDUP permitted a FAR of .33. Here, the proposed FAR is 0.50, which represents an increase in FAR of 0.17 as compared to the FAR authorized by Town Meeting in 2009. For GFA, the 2009 Ledgesmont PSDUP approved a maximum GFA of 572,119 square feet. In comparison, the proposed PSDUP calls for a GFA of approximately 743,204 square feet, which represents an increase of 171,085 square feet over the total area previously allowed. Finally, for the NFA, the 2009 Ledgesmont PSDUP allowed for a maximum NFA of 405,573 square feet, while the proposed PSDUP calls for a maximum NFA of approximately 630,000 square feet, representing an increase of 224,427 square feet.¹

Such increases are consistent with key Town priorities, including: (i) relieving pressure on the residential tax base, especially as the Town seeks to fund sizable capital projects in the coming years, such as the construction of a new high school; (ii) thoughtfully enabling expansion of floor area in outlying commercial areas, as contemplated in the 2003 Comprehensive Plan’s Land Use Element; and (iii) generally deriving “fiscal support for the high level of public services residents of Lexington seek,” as described in the first goal of the Economic Development Element of the Town’s Comprehensive Plan.

PUBLIC BENEFITS AND COMPREHENSIVE PLAN COMPLIANCE

As mentioned above, the first of the four goals of the Economic Development Element of the Town’s Comprehensive Plan states that: “... a strong local economy can help provide necessary fiscal support for the high levels of public services residents of Lexington seek.” The Fiscal Year 2021 Recommended Budget and Financing Plan reflects that the Town’s annual budget is over \$237 million, and the Town is facing the prospect of a new high school capital expenditure in the near future.

¹ This building area reflects certain refinements to the design since the Sketch Plan review process. The total net new building area has increased by 57,000 square feet as a result of design enhancements and building efficiency improvements, including expanded mechanical areas to provide for building electrification.

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The completion of the redevelopment of the campus is estimated to yield over \$3.7 million in net new annual revenue to the Town as projected in the fiscal impact analysis attached to the PSDUP filing pursuant to Planning Board Zoning Regulations 8.6.17. The impact of the redevelopment on the Town's infrastructure is expected to be limited because the expansion will occur in an established development with adequate infrastructure and the nature of laboratory and office use is of limited impact. Onsite roadways, parking areas and trash disposal will continue to be privately maintained. School related impacts are not anticipated. As such, the primary municipal impact is expected to be limited to emergency service departments, which already serve the campus.

Other public benefits include a one-time financial contribution per each of the new parking spaces being added over the existing spaces to the Town funding of Transportation and Demand Management; the addition of new companies that will provide new jobs and corporate partnership opportunities; and environmental benefits such as improvements to stormwater management, energy efficiency and the introduction of other sustainable features that will result from the redevelopment.

Public benefits related to the immediate surroundings of 95 and 99 Hayden Avenue may include, upon review and subject to applicable approvals, pedestrian improvements along Spring Street near and enhanced public access and trailhead improvements to improve public access to Hayden Woods.

Please note that the above anticipated public benefits are not finalized, and will be more specifically set forth in a Memorandum of Understanding (MOU) between Hobbs Brook and the Select Board; discussions for which began in November, but will not have been finalized for this PSDUP filing due on or before the Warrant filing deadline in late December, 2021.

Plan Revisions Made After Planning Board Meeting and Written Recommendation

The Recommendation of the Lexington Planning Board on a Sketch Preliminary Site Development and Use Plan (PSDUP) for the Property Located at 95 Hayden Avenue and 128 Spring Street (99 Hayden Avenue) did not deem any plan revisions necessary. Additionally, this submission includes a response, prepared by Margulies Perruzzi Architects, addressing all of the Planning Board's written comments and recommendations included in their Findings & Recommendations.

Based upon all of the above, we believe this Planned Development District proposal is one that the Board may recommend to Town Meeting for approval.

Thank you for your time and consideration.

Sincerely,



Peter L. Tamm

cc: Bradley Cardoso
Joshua Hill