



# THE MBTA INITIATES PROCESS TO REDEVELOP THE ALEWIFE GARAGE COMPLEX SEEKS PRIVATE SECTOR JOINT DEVELOPMENT PARTNER

The Massachusetts Bay Transportation Authority (MBTA) is pleased to announce that it has initiated an innovative procurement process to engage a private sector Joint Development (JD) partner for the redevelopment of its Alewife Complex in Cambridge, Massachusetts. The Alewife Complex comprises a very active Red Line heavy rail station, a 2,733-space structured parking garage, commuter rail right-of-way, and ancillary layover and maintenance facility land. Together, the property offers a tremendous redevelopment opportunity. The MBTA seeks to create a world class public transportation hub through a future-forward development project, to enhance the public realm in the station area, meet its infrastructure improvement objectives and to contribute to economic development and sustainable growth in the Alewife community.

To accomplish these goals, the MBTA will enter into a Pre-Development Agreement with its chosen JD partner to maximize public and private strengths of each party, and to create a development master plan that is realistic and viable. Upon the satisfaction of the pre-conditions to development set forth in the Pre-Development Agreement, it is the intention of the MBTA to proceed directly to a long-term lease with its JD partner.

In announcing the initiative MBTA General Manager Phil Eng said "leveraging MBTA real estate assets to help meet our infrastructure needs and the Healy/Driscoll Administration's housing and economic development goals is a major priority of ours. Through this initiative we will form collaborative and productive partnerships to deliver an outstanding transit-oriented development at Alewife".

The MBTA intends to select its JD partner based primarily on qualifications with consideration also given to teaming history and financial capacity, an understanding of the work, and the JD partner's proposed approach to the development of the Alewife Complex. As the public owner, the MBTA is looking for design, permitting, construction, financial, operations and maintenance expertise to complement the MBTA's capabilities. Collaboration, creativity, accountability and transparency will be hallmarks of the partnership. The development of the Alewife Complex will be closely coordinated with City of Cambridge representatives.

A developer/industry forum for entities interested in developing the Alewife Complex will be held on August 8, 2024, at 1:00 p.m. (Eastern) at the State Transportation Building located at 10 Park Plaza, Boston, MA. The forum will take place in the 2<sup>nd</sup> Floor Board of Directors conference room. MBTA officials will provide an overview of the opportunity, procurement method and schedule and will be available to answer questions about the facilities and operations. Pre-Registration is requested using <u>Alewife Complex Industry Day Pre-Registration Form.</u> Firms interested in scheduling a one-on-one meeting with representatives of the MBTA to discuss proprietary aspects of the Project must register here: <u>Alewife 1 on 1 Registration Form</u>.

The MBTA's Office of Diversity and Civil Rights will host a DBE networking event as a part of the JD solicitation process. Additional details concerning this event will be forthcoming.

All development inquiries on this opportunity should be directed to: <u>AlewifeJDinquiries@MBTA.com</u>
All press inquiries on this opportunity should be directed to: <u>mbingaman@MBTA.com</u>





# NOTICE OF INTENT ALEWIFE COMPLEX JOINT DEVELOPMENT PROJECT DEVELOPMENT/INDUSTRY FORUM

The Massachusetts Bay Transportation Authority (MBTA) is pleased to provide this notice that it intends to engage a Joint Development (JD) partner for the redevelopment of its Alewife Complex in Cambridge, Massachusetts. The Alewife Complex comprises a very active Red Line heavy rail station, a 2,733-space structured parking garage, a busway, nearby Commuter Rail right-of-way, and ancillary layover and maintenance facility land. Together, the property offers a tremendous redevelopment opportunity in an area of Cambridge, Massachusetts that the MBTA intends to capitalize on to meet its infrastructure improvement objectives at the Alewife Complex and economic development and other public goals.

The MBTA seeks to create a world class public transportation hub through a future-forward development project, to enhance the public realm in the station area, and to contribute to economic development and sustainable growth in the Alewife community. To accomplish these goals, the MBTA will enter into a Pre-Development Agreement with its chosen JD partner to maximize public and private strengths of each party, and to create a development master plan that is realistic and viable. Upon the satisfaction of the pre-conditions to development set forth in the Pre-Development Agreement, it is the intention of the MBTA to proceed directly to a long-term lease with its JD partner.

The MBTA intends to select its JD partner based primarily on qualifications with consideration also given to teaming history and financial capacity, an understanding of the work, and the JD partner's proposed approach to the development of the Alewife Complex. As the public owner, the MBTA is looking for design, permitting, construction, financial, operations and maintenance expertise to complement the MBTA's capabilities. Collaboration, creativity, accountability and transparency will be hallmarks of the partnership, therefore, careful consideration should be given to the JD partner's development approach and staffing. The development of the Alewife Complex will be closely coordinated with City of Cambridge representatives.

The MBTA is the owner and operator of the Alewife Complex, including the following assets:

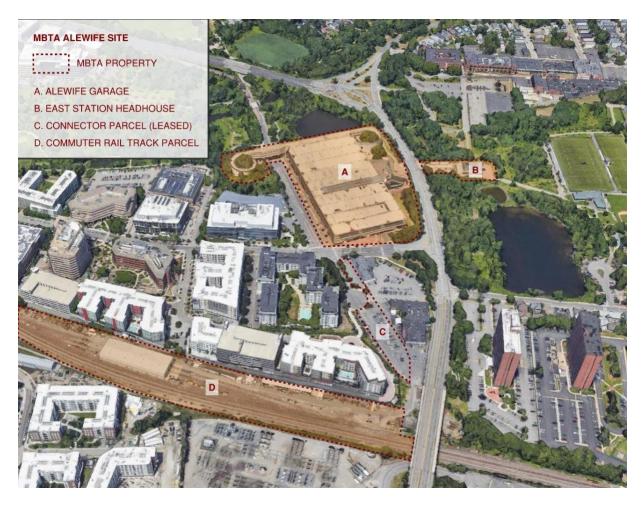
The garage, including all associated rights in land. The garage is a five-story, one million square foot structure accommodating 2,733 parking spots, critical power components that are a part of the MBTA's core system, and a small amount of retail. It is the largest parking structure in the MBTA system.

The station, including all associated rights in land, which serves as the northern terminus of the MBTA's Red Line and is serviced by four bus routes (62, 67, 76, and 350). Both the garage and the station were built in 1985 when Red Line revenue service was extended beyond Harvard Station, and both have undergone several rehabilitation projects and structural repairs. Safety measures are on-going.

• Adjacent real estate along the Fitchburg commuter rail line, which is underutilized and has value for an alternative higher and better use such as development and/or a new rail station.







The MBTA anticipates the following procurement timeline related to the Alewife Complex:

Event	Date/Time
Publish notice of industry day	July 24, 2024
Industry day	August 8, 2024
Industry one-on-one meetings	August 8 through 14, 2024
Issue Request for Proposals ("RFP")	Late-summer 2024
Informational meeting/site visit	One week after issuance of the RFP
Initial Proposal submission date and announcement of short-list	Fall 2024
Proposals submission date	Fall 2024
Selection and Notice to Proceed	Winter 2024





A developer/industry forum for entities interested in developing the Alewife Complex will be held on August 8, 2024, at 1:00 p.m. (Eastern) at the State Transportation Building located at 10 Park Plaza, Boston, MA. The forum will take place in the 2<sup>nd</sup> Floor Board of Directors conference room. MBTA officials will provide an overview of the opportunity, procurement method and schedule and will be available to answer questions. Firms or individuals interested in attending the forum, either in person or online, are encouraged to register in advance at: Alewife Complex Industry Day Pre-Registration Form. Pre-registration is not required but is encouraged.

Firms interested in scheduling a one-on-one meeting with representatives of the MBTA to discuss proprietary aspects of the Project must register here: <u>Alewife 1 on 1 Registration Form</u>. One-on-one meetings will be conducted between August 8 and August 14, 2024. To be eligible for a one-on-one meeting, a firm must be capable of acting as a lead development partner on the Project. Registration for a one-on-one meeting must be completed by August 5, 2024. The MBTA reserves the right, in its sole discretion, to schedule one-on-one meetings with any or all registrants.

The MBTA's Office of Diversity and Civil Rights will host a DBE networking event as a part of the JD solicitation process. Additional details concerning this event will be forthcoming.

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## The Opportunity

The MBTA is the owner and operator of a garage, station and associated real estate comprising the "Alewife Complex" at the northern terminus of the Red Line in North Cambridge (collectively, the "Complex"). The MBTA's Transit Oriented Development/Innovative Delivery (TOD/ID) team has developed an innovative procurement related to the redevelopment of the Complex based on the following facts:

- 1. Several structural condition analyses of the garage have been conducted over the past decade with the latest and most substantive being completed in 2020. This study and on-going experience determine that the MBTA will need to spend at least \$55 million (in 2020 dollars) over the next ten years to keep the garage operational, with no measurable improvements in operations or capacity.
- 2. The station is also in need of certain repairs.
- 3. The City of Cambridge, through its 2019 *Alewife District Plan* and subsequent zoning and permitting actions, envisions continued economic development activity and a growing "vibrant mixed-use district" around the Complex. As other areas of Cambridge and the greater Boston region become built out, the Alewife area has emerged as an inviting opportunity for commercial, biotechnology and residential developers.
- 4. As it is well past its useful life and the ratio of revenue to repair cost is unsustainable and unwise, the MBTA has determined that it is in its best interest to demolish the garage and to engage with a private sector partner(s) to reimagine the use of the Complex.

#### The Proposal

The MBTA proposes to select a partner ("Developer") based primarily on qualifications, partnering and financial capacity. Together, the MBTA and the selected Developer will execute an agreement (the "Pre-Development Agreement") calling for the Developer and the MBTA to work collaboratively to establish the project goals; complete any necessary environmental reviews; advance design; allocate risk; garner required public support; acquire necessary permits; and negotiate a long-term lease which will be comprised of some or all of the real estate, the garage, and portions of the Station, including any necessary design, construction, operation, and maintenance obligations (the "Lease"). While it is anticipated that the Lease would feature a lengthy term, it is possible that the terms for the various components comprising the Complex could be different, depending on the MBTA's objectives. As the Complex was initially built and later repaired with FTA financial assistance, FTA will be consulted early in the procurement process.





The development opportunity anticipates that the Lease will include the garage and the land on which the garage is located, air-rights. Further, the Developer will demolish the garage and redevelop that portion of the Complex as a part of the private redevelopment project, subject to an obligation to continue to provide a sufficient amount of parking for customers of the MBTA, as determined by the MBTA, at all times through a covenant in the Lease. The MBTA anticipates that it will retain pricing control over that parking.

In consideration for the development opportunity, the Developer will be required to design and construct (to the MBTA's standards) certain improvements to the MBTA transportation facilities at the Complex, including: (a) improvements to the station and Complex as detailed in a to be developed program; and (b) modifications to the station and complex made necessary on account of the Developer's private mixed-use redevelopment. The construction of the transportation improvements must be publicly procured by the Developer on the MBTA's behalf in accordance with M.G.L. ch. 30, § 39M or follow current law should changes be enacted.

### **The Process**

It is anticipated that a multi-disciplinary team of MBTA senior personnel will be assembled to serve as a committee to develop the MBTA's needs, to evaluate proposals received under the procurement, and to assist in the review of plans submitted by the Developer. It is also possible that the MBTA will form a small group of external stakeholders to add transparency to and ensure support in the process. The work of both groups will be guided by a detailed work plan and schedule that is being developed by the TOD team.

Additional details regarding this opportunity are included with this summary. The project is unique in certain respects, particularly with respect to the progressive partnership that is anticipated and the public procurement that is required. However, all of the methods that are proposed have been undertaken by the MBTA in the past on prior projects and is common practice for other transit authorities.

An initial step in informing the MBTA's due diligence process and beginning the process of engaging with industry is to conduct a Developer/Industry Open House. This session will be followed by the issuance of a Request for Proposals ("RFP") providing detailed background information on the Complex and the MBTA's goals for the Complex and requesting developer qualifications, teaming experience and financial capacity. A site visit and open question and answer period will be conducted. The MBTA expects to issue the RFP In July and a JD partner selection in the fall/winter of 2024.





