

USNC STATEMENT TO FINANCE COMMITTEE
11 DECEMBER 2018

Since our designation by the Board of Aldermen last July, the Union Square Neighborhood Council (“Neighborhood Council”) has been working hard to negotiate a robust Community Benefits Agreement (“CBA”) with US2. Our appointed seven-member Negotiating Team is meeting weekly with representatives of US2 and reporting back to the Neighborhood Council Board. There is significant work ahead, and meaningful distance between the parties on critical issues, like affordable housing, workforce participation, quality greenspace, and environmental sustainability. We remain committed to reaching a strong, community-focused agreement that will benefit the residents, business owners, workers, and visitors to Union Square for decades to come. We deeply appreciate the Board of Aldermen’s commitment to Union Square and your belief in the CBA. We ask for your continued support as we enter a critical period of negotiations.

In the Negotiating Team’s early meetings with US2, we established a set of ground rules for negotiation, asked questions to better understand the proposed development, and discussed priority topics for inclusion in the CBA. These priorities emerged from Somervision, the Nexus Study, the LOCUS group and two CBA Summits organized by the Neighborhood Council last February with over 150 USNC members participating, and extensive written submissions from a wide cross-section of residents, workers, and business owners. We have sought to represent the breadth of these interests in our actions.

On October 15, the Negotiating Team submitted a comprehensive term sheet to US2. On November 12, US2 submitted its response. The two parties are meeting weekly and we believe that both parties continue to see a path to an agreement. However, there is still significant distance to bridge before the Negotiating Team can recommend an agreement to the USNC Board and support ratification by a two-thirds vote of the membership, as required in our by-laws.

There are a number of specific terms that are outstanding, but we would like to highlight four key areas to give this Committee a sense of the work that remains to reach agreement. They are Housing, Workforce, Outdoor Green and Open Space, and Sustainability.

1. Affordable housing commitments are promising, but require more detail

We have asked that US2 produce enough affordable housing in the first phase of the development to mitigate the anticipated displacement noted in the City’s Nexus study of impacts from this development. Production of affordable housing in later phases are not likely to address the question of displacement because such effects are likely to take place primarily in the early stages. US2 has, in principle, offered to purchase the D4.3 parcel, at the intersection of Webster Street and Prospect Street, make available the land to a non-profit housing developer, and assist in the development of housing on the site in order to build sufficient affordable housing. We have asked for a more detailed proposal from US2 with clear commitments such that we can assure our community that these much-needed affordable housing units will, in fact, be built, and on time.

2. We are negotiating for high quality temporary and permanent jobs that reflect Somerville values

We have submitted terms on jobs that aim to ensure the maximum dignity and safety afforded to all who work in temporary construction and permanent jobs in our neighborhood. To that end, we are still negotiating on three key terms: management neutrality on labor organizing in the hotel anticipated for the second phase of the development, commitments to health benefits and hourly wage pay above the state minimum wage for all cleaning, security, and other facilities management workers within the development, and strong commitments to use organized labor and to hire women, minorities, and veterans in construction, reflected in a project labor agreement. We are committed to ensuring that construction work in our neighborhood is realized without exploitation wages, low or no benefits, and poor safety records.

3. Generations of Union Square residents and businesses will benefit from high quality physical design, with maximum outdoor civic and green space

We are negotiating to improve the quality and square footage of green and open civic space throughout the development. To that end, we have asked US2 to draw on community-led alternative designs for the D2 parcel that would put parking underground and not cut off our neighbors in Allen Street from the rest of the neighborhood. We understand that the City is undertaking a feasibility study on this proposal, and we await the outcome of this study. We also have a term that US2 commit to two neighborhood parks. US2 has tentatively agreed to increase the amount of open space in a second public area on D7 under certain conditions. We believe there is more work to do to maximize the greenspace on this parcel in order to meet our community's expectations.

4. Union Square development must realize climate change resilience and carbon neutrality

We have included a number of important steps towards a climate resilient and carbon neutral future for Union Square. With the release of Somerville's Climate Forward plan and current national assessments on the severity of climate change, firm commitments towards these goals are critical to a sustainable future. US2 has proposed LEED Silver and Gold building standards, and seeks further study on incorporating other building standards, water conservation and renewable energy into their designs. We hope that a commitment to terms such as: net-zero emissions performance-based standards in buildings, additional stormwater considerations, and resources designated for climate preparedness areas for the most vulnerable residents, can address the mitigation, adaption and equity goals of the city's Climate Forward plan.

Other key areas where we have submitted and are actively discussing terms include: small and sustainable business; parking and traffic; arts and creative economy; and indoor civic space.

We are grateful to the Finance Committee and to the full Board of Aldermen for your support of this process and encouragement in reaching agreement on a CBA. We believe it is in the community's interest to postpone consideration of further project approvals or transfers of

publicly-held land into private ownership while we enter the final stage of negotiations. We ask that this Finance Committee continue to not prejudge these negotiations, and therefore postpone its consideration of further approvals until these negotiations can conclude. We believe that with hard work and continued good will by all parties we can reach an agreement. We also thank US2 for its good faith efforts up to this point to reach agreement.

Our opening statement to US2 in our first meeting included the following lines: “We seek a common purpose with US2 in helping produce a development that will be a jewel for Somerville and the entire Boston area. In particular, we believe that we can enhance the value of this development by working with you to ensure the social and environmental sustainability of the development, so that it will deliver both financial and social returns for decades to come.”

Honorable Board of Aldermen and fellow residents of Somerville: We look forward to soon finding the common ground with US2 that will allow us all to ensure a bright, prosperous, and just future for our neighborhood and our city.