

**Economic Development Advisory Board
Lab & Bio/Life Sciences Subcommittee
Minutes**

March 2, 2021

4:00-5:30 PM held remotely via Zoom

EDAB Board Lab Subcommittee members in attendance (noted by Y/N)

Cliff Brown	Y
Marilyn Newman	Y
Carol Levin	Y
Paul Saner	Y

Staff present: Kara Brewton, Meredith Mooney

Additional EDAB members present: Tom Nally

Guests included:

From the Bulfinch Company: Robert Schlager, Matt DeNoble, Mark DiOrio, Brian McInerney, Pamela Yang, Valon Hidra

From Environmental Health & Engineering (ESE): Jessica Healey (consultant to Bulfinch)

Jennifer Gilbert, Law Office of Robert Allen (counsel to Bulfinch)

Materials provided ahead of time to the Board & via links in the agenda included: 3/2/2021 agenda; draft minutes for 2/16/21 meeting, with edits proposed by Subcommittee members.

Powerpoint presentation made during the meeting: Bulfinch Company group slide/powerpoint presentation

Paul Saner opened the meeting remotely via Zoom due to COVID, ensured all members were able to participate with audio and video, and announced that the Zoom meeting would be recorded with Zoom transcript feature enabled to facilitate the preparation of summary minutes.

Bulfinch Company presentation

Paul welcomed and thanked Robert Schlager and the team from the Bulfinch Company for attending as invited to provide the Subcommittee with Bulfinch's high level overview as to market demand for lab uses generally and in Brookline; different types of lab uses and life science space; and key parameters Necessary for lab sites to work physically.

The Bulfinch Company group presented a slide/powerpoint presentation and engaged in discussion of Subcommittee member questions on these and related topics. Key points are summarized below.

The Bulfinch Company's extensive experience in lab and life sciences space development and operation/management includes significant holdings in Kendall Square, at the Cambridge Discovery Park, and lab uses enabled by zoning at the former Atrium Mall (now Life Time Center) in Newton.

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Bulfinch owns 10 Brookline Place, currently under long term lease to Dana Farber for medical office uses, and is interested in preliminary planning for future improvements to and repositioning that property for lab/life sciences uses. Would expect 2 to 3 years to permit and 3 to 4 years to construct.

1. Boston area is attractive to the lab/life sciences market for a number of reasons, including:

- strong talent pool from area major universities (40% of graduates stay local)
- drivers for innovation in field present as result of hospitals, public and private research funding. Mass. has very high NIH funding. Venture and private equity funding for life science companies is growing strongly.
- increased biotech hiring in last year (2020, influenced by pandemic initiatives) and in last 5 years.

Greater Boston area has overall about 25% of the country's lab and life science space. There is a continuing need for more lab/life science space as existing companies grow and new ones form.

2. Opportunities for Brookline in lab/life science

- Cambridge is a center of the market but is at capacity with skyrocketing prices. Emerging relief valve communities for lab/life sciences growth include Somerville, Allston Brighton, Waltham, Watertown. Brookline may be a logical next location.
- Like these other inner communities, Brookline has good access to universities and medical institutions, plus potential of lower rents than Cambridge.
 - Cambridge rents over \$100/sf and up. Other communities mentioned and suburban life science locations in \$40-60/sf range. Future may be heading as high as \$75/sf.
 - Fenway rents (Sears project by Samuels) may be in between rents at the two ends of spectrum because right next to LMA.
- In addition, Brookline has amenities that life science workers want. For example, in Brookline Village, not only proximate to LMA but also has vibrant storefronts (restaurants, etc.) along immediately adjacent portion of Washington St. corridor.

3. Jessica Healey discussed ESE's biosafety consulting practice serving range of clients in life sciences sector. In Massachusetts, types of life science uses include biopharma, biotech, research and development, and healthcare and medical research. All need more lab space. Aspects of these activities are heavily regulated at federal (NIH, CDC) and municipal (see Boston and Cambridge echoing federal standards) levels. Commonly accepted guidelines are known to and accepted by any potential tenants. Brookline would not have to reinvent the wheel on local regulation.

All lab uses must maintain a safe lab environment for workers and containment of anything potentially hazardous. Levels of biolab safety:

Bio 1 – minimum risk, no additional safety equipment – e.g. DNA sequencing and protein extraction.

Bio 2 – most common type of lab – potential risks to workers but not to community – bloodborne pathogens but no airborne pathogens – e.g. hospital clinics.

Bio 3 – serious risk to community if activities improperly contained, requires special engineering to prevent release of aerosols – eg tuberculosis research

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Bio 4 – most serious potential risk to community – eg Ebola research. Only existing such facility in Mass. is BU NEIDL (National Emerging Infectious Diseases Laboratory)

Majority of lab space in Boston area is L2. Only 10 or 12 L3.

R. Schlager – too early to tell for 10 BP, might consider small portion L3 within larger L2 facilities. Defers question if L3 is higher rent than L2, haven't tested market.

4. Are there actual lab/life science operations at Life Time Center in Newton?

No, although permitted there by zoning, Newton is far from LMA and property did not attract those uses. Building is fully tenanted and successful as Dana Farber outpatient, fitness, and medical offices.

5. Are medical and academic institutions or private companies major driver of future lab/life science space demand? Too early to tell. May complement each other.

6. Is there a minimum size for space to offer tenants?

Most want space to grow, even if they are starting with a small facility. For example, tenants who took entire buildings at CDP even if not occupying immediately. Many lab users would want 50,000 to 60,000 sf floor plates. One different model, user at CDP who wanted a more self-contained vertical building with 20,000 sf floor plates.

For mix of lab uses and accessory offices, optimal to build floor to ceiling heights throughout to accommodate either (ie, 13' 6" ceiling which translates into 14 or 15 feet between stories.)

7. Can a lab/life sciences building be FFF?

Core shell of a lab/life sciences building can potentially be Fossil Fuel Free (solar supports in windows, geothermal heating and cooling). But lab operational equipment such as lab stations, showers, eyewashing need some oil or (cleaner) gas to operate. This may change in the next 10 years but no FFF solution for these operations at the moment.

8. What is potential for a standalone lab building in Brookline (other than 10BP)?

More potential if uses are R&D, such as computer modeling, 3D printer fabrications, medical device development. The space needed is more generic and multiuse. Wet labs that use chemicals and hazardous materials are more technically complex and more heavily regulated.

9. To what extent do lab/life science tenants use animal colonies and how are those uses regulated?

Jessica Healey – vivariums have dedicated elevators and are segregated from other lab and associated office spaces. Heavily regulated to make sure no human genes get into lab animals as well as no animals getting out. Regulated federally by USDA and several communities have location-specific lab animal use requirements eg Watertown, Boston, Wellesley (she will share these local requirements with us for benchmarking).

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Robert Schlager – animal facilities are very small proportion of overall facilities, typically 3000 to 8000 sf. Very expensive to construct, because need redundant electrical systems and other systems to prevent failures in event of power outages.

10. Is Route 9 west of Brookline Place, such as Chestnut Hill West, potentially of interest to the life sciences market?

--Immediately to the west [to Cypress St.] is an unattractive stretch with shallow hard to build sites; not likely major life sciences would work there. Maybe general office use or incubator type of lab tenant. Some office development might help enhance the area as a more attractive gateway entrance to Brookline.

--Chestnut Hill might be different.

11. To what extent will lab workers actually frequent the shops and restaurants of an urban location like Brookline?

A live work environment is potentially attractive to both younger and older workers. Good sandwich shops, services like drycleaners, Green Line, are amenities workers want that you can't get in Waltham. Also two proximate hotels within close walk are good given research visitors from all over the world. At CDP Bulfinch had to create such amenities from scratch.

12. Other information and assistance offered by Bulfinch team – will give names of specialized lab brokers for institutional tenants to Kara Brewton; can make available time from Jessica Healey or other consultants if helpful.

Subcommittee Organizational Business

The Subcommittee VOTED by roll call vote to approve the February 16, 2021 meeting minutes as edited by member comments (in favor: PS, CL, CB, MN).

Next meeting on March 16; continuing to pursue brokers (Cushman and Wakefield; Frank Nelson, Newmark) as potential guest speakers.

Following meeting is currently scheduled for March 30, are arranging developer guest speakers (National Development and Berkley Investments). May be rescheduled due to potential absence of one or two Subcommittee members.

Kara Brewton will send Zoom recording and transcript, and Paul Saner will request copy of Bulfinch powerpoint for Subcommittee.

Meeting adjourned at approximately 5:35 pm.