

## **Executive Summary of Proposed Home Rule Petition**

The laws of the Commonwealth of Massachusetts generally prohibit municipalities from providing emergency services to properties located outside of their municipal boundaries. While there are certain exceptions for instances of mutual aid, the municipality in which a specific parcel of real estate is located is generally responsible for the provision of police, fire and emergency services to such parcels and the buildings located on the parcels and the occupants of those buildings. In addition, Massachusetts law prevents municipalities from assessing taxes or other municipal charges against properties not situated within its municipal boundaries.

Cambridge Crossing is a large mixed-use project situated on over 45 acres of land situated in the Cities of Cambridge, Boston and Somerville, and containing residential, office, laboratory and retail uses (the “Project”). The portions of the Project situated in the Cities of Boston and Somerville are not accessible by streets located in either jurisdiction and are only accessible by streets located in the City of Cambridge.

The streets being constructed within the Project will eventually be public ways in the City of Cambridge and will contain public water as well as storm water and sewer infrastructure, which the developer of the Project is currently constructing. The City of Cambridge has agreed to provide all water as well as storm water and sanitary sewer infrastructure to the Project without the City of Boston or the City of Somerville providing any portion of such infrastructure.

Additionally, as the Project is only accessible from Cambridge public streets, Cambridge has agreed to provide the following services to the Project, including the parcels and buildings situated in Boston and Somerville without any contribution from such Cities:

- police,
- fire,
- other emergency services,
- snow plowing and removal,
- water,
- storm water drainage, and
- sanitary sewer.

In order to pay for the increased cost of the provision of police, fire and emergency services to the Project, the City of Cambridge will enter into a Memorandum of Agreement with the developer of the Property and all of the entities owning parcels within the Project. This Agreement will provide a total fee payable to the City of Cambridge on a yearly basis which will be calculated based on proportion that the square footage of the serviced parcel situated outside of the municipal boundaries of the City of Cambridge bears to the entire land area of such City (the “Annual Parcel Fee”). This fee will only be payable once a building is constructed on a particular parcel and a certificate of occupancy has been issued for the same.

The owner of a particular parcel will pay its Annual Parcel Fee to the City of Cambridge at such times during the year as real estate taxes are paid in such City. The Annual Parcel Fee shall be prorated on a per diem basis so that the payments are made at each real estate tax payment date based on the number of days that actually elapsed or will elapse within the payment period covered by the corresponding real estate tax assessment.

The City of Cambridge shall include the prorated Annual Parcel Fee in the biannual (or such other period of assessments as may in the future be adopted by the City of Cambridge) real estate tax assessments for the portion of a parcel containing a building that is located in Cambridge and for which an Annual Parcel Fee is owned. For the one parcel that is located entirely in the City of Somerville, the prorated Annual Parcel Fee shall be included in the biannual assessment of the Cambridge Crossing Common, which is the single largest area of public open space situated within the Project.

The City of Cambridge shall have the right to enforce liens for unpaid portions of the Annual Parcel Fee against the parcel the City assesses such Fee against, consistent with the City's powers and rights to enforcement, including, without limitation, the right to file a lien or undertake and completion a tax taking against a parcel.

The payment of the Annual Parcel Fee to the City of Cambridge shall not diminish the amount of real estate taxes that are otherwise payable to the Cities of Somerville and Boston for the portions of the Project that are situated in those respective Cities.