

MEMORANDUM

To: CRA Board

From: Erica Schwarz

Date: November 17, 2021

Re: Margaret Fuller Neighborhood House - Cooperation Agreement Amendment & OPM Selection

BACKGROUND

CRA Staff have been working with staff and board members from the Margaret Fuller Neighborhood House (MFNH) under a Cooperation Agreement signed in April, 2019, when the two parties agreed that the CRA would provide technical assistance and other support to MFNH in order to help the agency redevelop its social service facilities. At that time, the parties planned to develop a mixed income affordable and market rate housing development on the rear of the site to help finance the redevelopment. The Cooperation Agreement was amended in June 2020, when the timeline and project scope were further clarified.

In 2021, the parties revisited the project scope, in part because the CRA made an obligation to develop affordable ownership housing, and MFNH felt its site was better suited for a fully affordable ownership project rather than market rate. MFNH also completed its strategic plan in 2021, which further clarified the organization's programmatic space needs. With better information about project scope, the parties were also able to develop a targeted budget for the project.

The project will still improve the facilities in which the MFNH provides its food pantry, afterschool program, and community advancement program, and create housing. The project will bring the MFNH's historic house up to code, and create better program space on its main floor, replace its basement level addition with a space better suited for social service programs, and create 10,000 - 12,000 square feet of affordable ownership housing on what is today a surface parking lot on the rear of the parcel.

This project scope is informed by the feasibility study completed by Studio G Architects, the MFNH's strategic plan, a conceptual budget estimate developed by real estate finance development consultant Maura Camosse Tsongas, and ongoing discussed by both parties. It is expected that the project will contribute to meeting the CRA's obligation and interest in expanding affordable ownership housing in Cambridge.

The parties are now ready to proceed in the Schematic Design (SD) phase, but first must agree to an amended Cooperation Agreement and select an Owner's Project Manager (OPM) to guide the project's design and cost estimating efforts.

COOPERATION AGREEMENT AMENDMENT

The CRA and MFNH have proposed sharing the obligation and risk for ongoing design work. MFNH cannot commit to a land transaction before understanding more clearly what the total project budget and scope will be. The CRA cannot invest significant fund without some assurance that we will be able to develop affordable ownership housing on MFNH's rear lot. Sharing fees for this early phase helps protect both parties.

The Schematic Design phase is estimated to cost no more than \$197,010, which includes fees for design, owner's project management, real estate development consultant, and historic tax credit consultant. That figure also includes approximately \$35,000 in exploratory work, as needed, in order to ensure well informed designs and to save time and perhaps money in later project phases. The SD phase expense will be part of the total project budget, and will count towards each party's contribution in a project budget that will be better defined at the end of SD. MFNH will draw down from the line of credit the CRA holds for it to cover its share in the near term.

The attached exhibit A includes the proposed language for the Agreement Amendment, and includes attachments that outline the proposed Schematic Design budget and other details.

RFQ PROCESS FOR OPM SELECTION

Utilizing the qualifications based procurement process, the CRA, working in partnership with the MFNH, sought a qualified Owner's Project Manager (OPM) to carry out the following scope:

- Assist in development of the contract scope with Studio G, the designer selected in 2019 who completed a feasibility study in 2020.
- Advise on the development concepts considered to date.
- Advise on the value and possibility of conducting the Project construction bidding under Chapter 149a using a Construction Manager at Risk.
- Assist in the review of Schematic Design documents through Construction Drawings.
- Assist in the development of a project budget.
- Develop a plan with the design team for constructing improvements in appropriate phases that will balance cost with the need to limit relocation of social services.
- Provide oversight of the design team during the schematic design, design development, construction document, and construction phase of the project, including supporting the planning and execution of the Chapter 149 (or Chapter 149a) procurement process.
- Monitor performance of the building design and construction phases, including providing comprehensive construction administration
- Provide written evaluation of the performance of the design professionals, consultants, contractors and sub-contractor

Date	Activity	Additional Detail
October 13, 2021	Post public notice of RFQ	Central Register, Boston Globe and on CRA website. Emails also went out to firms who have shown interest in the CRA's prior OPM search and to other recommended firms.
October 20 and 22, 2021	In person site visit and virtual info. session, respectively	
October 22, 2021	Deadline for Questions	
October 25, 2021	Addendum 1 issued	
October 29, 2021	Deadline to Respond	5 responses received
November 12, 2021	Interviews Conducted	
November 10 –15, 2021	References Contacted	
November 17, 2021	Board Vote on Recommended Firm	
November 18 - December 3, 2021	Negotiate fee and finalize contract	If CRA cannot come to agreement on fees with first ranked firm, staff will negotiate with the second ranked firm.

OPM SELECTION RECOMMENDATION

The selection committee was made up of CRA staff Erica Schwarz, CRA real estate development consultant Maura Camosse Tsongas, MFNH Executive Director Kim Massenburg, and MFNH Finance and Operations Director Cory Haynes.

Firms selected for interviews were found to have extensive experience providing project management services for public projects, including managing the public bidding process, for renovation of historic buildings, as well as new construction, and for housing projects. The firms' qualifications were also reviewed with regard to experience working on projects with nonprofit agencies, supporting communication to abutters, maintaining a tight construction budget, and their approach to communication with and representation of their client throughout the process.

Three of the five firms that responded were invited to participate in interviews with the selection committee. Based on their RFQ response, the interviews, and reference calls, the selection committee recommends the following rankings:

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| 1. CBI Consulting, a Socotec Company | https://www.cbiconsultingllc.com/socotec/ |
| 2. CHA Consulting | https://www.chacompanies.com/ |
| 3. Anser Advisory | https://anseradvisory.com/ |

CONTRACT TERM

The CRA expects to enter into a contract that will start in early December 2020 and conclude once Project construction is complete; estimated to occur in late 2024 or early 2025.

MOTIONS

Motion: Amending the Cooperation Agreement with the Margaret Fuller Neighborhood House to proceed with schematic designs and negotiations for a potential development agreement for the restoration of the historic house, and the construction of a new community facility at 71 Cherry Street and affordable housing on the rear parking lot.

Motion: Authorizing the Executive Director and Chair to enter into contract negotiations CBI Consulting - Socotec to provide Owner Project Manager (OPM) services to guide the design and expected construction of the Margaret Fuller Neighborhood House Renovation and Development.

EXHIBITS

Exhibit A: Cooperation Agreement Amendment between CRA and MFNH

Exhibit B: OPM RFQ

Exhibit C: RFQ Response from CBI Consulting-Socotec