

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday September 16, 2020 at 5:30pm
Due to the COVID-19 pandemic, this meeting was held virtually via Zoom

APPROVED Meeting Minutes

At 5:31 p.m., Tom Evans read the opening statements:

In response to the current COVID-19 situation, the Governor has suspended certain provisions of the Open Meeting Law allowing government bodies, such as the CRA, to meet using remote participation. In accordance with the Order, the CRA is holding this meeting virtually via Zoom, with the ability for the public to participate either through a computer, smart phone, or by calling in via the CRA office landline. In this Zoom Webinar format, all attendees, except panelists, will have their videos suspended and be muted unless specifically unmuted by the host. There will be three opportunities for public comment in this meeting – one at the start of this meeting, a second period specific to the MXD zoning and urban renewal plan amendment agenda item, and a final one at the end of this meeting. To provide public comment, please press the “raise hand” icon at the bottom of your screen and you will be called upon to speak. We will work on other provisions as needed for those who have technology issues. Once you are called upon, you need to unmute yourself. You may identify yourself but are not obligated to do so. After stating your comment or question, you will be re-muted. Alternatively, you can use the Q&A function to type your question or comment and these will be read by the host during the public comment session. If you are calling in via a landline and have no access to computer or smart phone, you can call the CRA’s main line at 617-492-6800, then press extension 11 to bypass the opening messages. Ms. Shore will convey your comments to the Board. Comments can also be emailed to planning@CambridgeRedevelopment.org.

The Board meeting materials can be found on the CRA’s next meeting webpage. This meeting is being recorded by the CRA, including all video, audio and QA messages.

Call

Chair Kathleen Born called the virtual meeting. A roll call of Board members and their confirmation that the meeting was audible to them was taken. She noted that Conrad Crawford is not present now but will be here at 6 p.m.

Treasurer Chris Bator - present.
Assistant Treasurer Barry Zevin - present
Assistant Secretary Margaret Drury – present

CRA Executive Director Tom Evans was also present. Other CRA staff members in attendance were Alex Levering, Carlos Peralta, Ellen Shore, Erica Schwarz, Hema Kailasam, and Fabiola Alikpokou. As this is a remote meeting, all votes will be taken by roll call and responses will be repeated for the record by Mr. Evans.

Public Comment

Ms. Born noted that this is the first round of public comment. She emphasized that there will be another opportunity for public comment directly after the presentations for the proposal for the MXD rezoning for the Eversource facility.

Christopher Schmidt asked the Board to reconsider the change to remove the 20% condominium requirement. The difference between home ownership and rental units does matter in the community. He is in favor of reducing

the parking minimum requirements to match the existing demand in the district. He looks forward to having more housing in the area.

Jim Gray, president of the Linden Park residents association, said that he and others sent a letter to Ms. Born today in favor of approving the amendment. There has been lots of work behind the scenes over the past year regarding the Eversource station. This was initially planned to be located very close to his neighborhood, the Kennedy Longfellow School, and Ahern Field. In many ways, this was not a good choice. The proposal is a suitable and better alternative. The proposed location is a win for everyone involved.

Heather Hoffman said that she is very unhappy with the proposal to relocate the substation. She acknowledged the work done and thanked her Linden Park neighbors and Alexandria. However, none of the residents created this problem and yet they are being asked to pay the price for it. This proposal asks for several hundred thousand more square feet of commercial space with no corresponding residences. The demand for residential space is unbearable in Cambridge. She vehemently opposes paying Boston Properties for helping to fix a problem that they helped to create. The residents will suffer. Cambridge residents are being displaced.

Janice St. Clair is in favor of the proposal. Although she understands Ms. Hoffman's point, it is the only way that this substation moves out of a neighborhood,

Matt Connolly, a member of the Linden Park resident association and a signatory of the letter emphasized the difficulty in finding another location for the substation. This isn't the best of all possible worlds but this is the only option available and he hopes the Board will approve the proposal.

Leno Becerra, a Cambridge resident for 29 years, supports the MXD proposal. This has been one of the few proposals in the City where the City, residents, and the developers have come together to find a solution. Everyone knows that it is not perfect.

Ilan Levy acknowledged the position taken by the residents of Linden Park. Unfortunately, there is not much of a choice as it is insane to put the station on the Fulkerson site. Firstly, he stated that the main reason for Boston Properties' (BXP) request for an increase in density is not to cover the substation construction costs but rather for the \$150-\$200 million cost of putting a garage for a thousand cars underground in Kendall Square, due to their office space leasing contracts. This is more insane given that there is a housing crisis and a climate crisis and we are supposed to be modernizing our infrastructure. BXP should be decreasing the number of automobiles accessing Kendall Square and put that money towards public and multi-modal transportation. Secondly, Mr. Levy is concerned with the amount of affordable residential and lack of home ownership. He was skeptical of BXP's claim that they can't get financing for a building with a mix of rentals and home ownership. He pleaded with the Board to question this argument.

Pamela Van Dort, a resident of Linden Park, echoed everything that was said by the other residents and stated in the letter. She is in support of the proposal. She is grateful for the work done by Eversource, the City manager, Alexandria, Boston Properties, and neighbors from Linden Park and East Cambridge, to get the substation moved away from a residential neighborhood and off of Fulkerson Street.

Chuck Hinds, agrees with Ms. Hoffman and the Linden Park residents. He is saddened and maddened that there is up-zoning because nobody planned for a substation years ago. Having said that, he does support the proposal. He is, however, concerned about removing the 20% of condo units. 20% of the units should be affordable condos because there is a need to help build wealth. He thinks the garage should be moved someplace else.

Richard St. Clair joined the Linden Park people in support of the proposal and hopes it will be implemented.

Bob Simha expressed his hope that the original, and brave, requirements for BXP to provide home owner options in their original development plan does not disappear. BXP's argument that this is infeasible are belied by the fact that there are two companies in Boston that are mixing rental and condo units today. It is also belied by the fact that he and the residents at 303 Third Street successfully live in such a project. He urged the Board to include in the amendment provisions that the housing project include a significant number of condominium units, both affordable and market rate, so there are more people who have equity positions in this neighborhood, spread across the economic range. There is no reason not to do it. He is happy to share 303 Third Street financial

information to demonstrate that it is financially successful. He urged the Board not to send the amendment forward without the additional requirement of home ownership options.

Chuck Hinds added that an Eversource official had told him two years ago that there might be a need for a substation at Cambridge Crossing. He noted that this location is not in the CRA's jurisdiction, but he knows of no study being done. Substation locations need to be planned.

There were no other requests for comment

A motion was moved by Ms. Drury to close this portion of public comment. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Born – yes

Mr. Bator - yes

Ms. Drury – yes

Mr. Zevin – yes

Mr. Crawford – absent

The motion carried.

Minutes

1. Motion: To accept the minutes of the Regular Meeting of the Board on August 19, 2020

There were no amendments to the minutes.

A motion was moved by Ms. Drury to accept the minutes of the Regular Meeting of the Board on August 19, 2020 and place them on file. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – absent

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

Communications

2. Written communications received since the publication of the September meeting notice

Ms. Born said that she received a letter from the Linden Park Neighborhood association which was mentioned during public comment. Mr. Evans said that there was a second communication that was transmitted via email from Carol O'Hare that focused on the condominium provision. Both communications are posted on the CRA webpage. In response to Ms. Drury. Mr. Evans said that there will be another opportunity for more discussion on the proposal and concerns that have been brought before the Board after the petition presentation.

Mr. Evans noted that Mr. Crawford was now present. Mr. Crawford has seen the communications.

A motion was moved by Ms. Drury to place the two written communications on file. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

Reports, Motions, and Discussion Items

3. MXD Zoning Petition and KSURP Amendment (Levering)

Motion: To authorize the Chair and Executive Director to submit a petition to amend Chapter 14 of the Cambridge Zoning Ordinance to the City Council for consideration in order to facilitate an alternative location for an electrical substation in Kendall Square.

Motion: To adopt the resolution approving the proposed eleventh amendment to the Kendall Square Urban Renewal Plan to conform with the proposed zoning petition and to rename the plan to the “Kendall Square Urban Redevelopment Plan.” Additional Public Comment Regarding the MXD Zoning Petition and KSURP Amendment

Ms. Levering began with some context and project history of the Alternate Substation Site Proposal. In 2015, the CRA Board and City Council passed an MXD zoning petition and amendment #10 to the Kendall Square Urban Renewal Plan (KSURP) as a result of the K2C2 (Kendall Square / Central Square) planning process from 2013. A few months later, the CRA approved the Infill Development Concept Plan (IDCP), which is the CRA’s master plan for the area, as well as the 145 Broadway schematic designs. In 2019, the CRA approved an amendment to the IDCP to shift GFA from 250 Binney Street to 325 Main Street to accommodate Google. In a separate but parallel track, the Eversource utility company identified in 2017 the need for a new substation to meet the additional energy demands resulting from the development in the Kendall Square area and to improve the redundancy of the infrastructure in the area. As Eversource started communicating the project to the public, there was a significant amount of community pushback that rose to the City level. In the middle of last year, the City Council and City Manager called for a search for solutions. At that point, the CRA and City process joined together and is referred to as the 2020 MXD planning process.

Currently, the IDCP calls for 400,000 sq ft of housing, bookending the Blue Garage, to be completed in two separate phases – one with 350,000 sq ft at 135 Broadway and the rest in another phase in another residential building. In 2019, the first commercial building (Akamai’s headquarters) opened at 145 Broadway, 325 Main Street was under construction, and the 135 Broadway residential tower review had begun.

In 2017, Eversource purchased the 135 Fulkerson Street parcel to build a substation. Before this purchase, this location had gone through a special Planning Board approval process to allow for 40 housing units. When it was transferred to Eversource for a substation, there was significant community concern due to the proximity to an elementary school, a public park, and the residential neighborhoods of East Cambridge and Linden Park. The City Manager and City Council identified a desire for an alternative location for the substation. The Binney Street. Park (or “Porkchop”) was considered until it was determined that the underlying utilities and its shape made the site inadequate. The City Manager put out a call to all the developers in Kendall Square. Boston Properties (BXP) was the only development team to propose an alternative location, the Blue Garage. The Blue Garage, built in 1990, is fully owned by Boston Properties and has capacity for over a thousand cars and 100 bikes. It is serviced by two service drives that border each side of the garage.

When BXP and Eversource came forward with this potential location, a significant amount of technical review was required to ensure it was suitable for a substation. This review began in late 2019. There are also two open space parcels on either side of the parking garage that are privately owned and their covenants would have to be lifted as a result of this project

Although the substation itself would exist in Parcel 2, this project has regional infrastructure considerations as connections are needed to other substations in Cambridge, Somerville, and Boston. Eversource is working with the cities to understand what is needed in the streets.

Ms. Levering introduced Ian Hatch from BXP who reviewed how BXP envisions the proposed redevelopment plan unfolding. The solution on the Blue Garage site balances three objectives. From an engineering standpoint, it needs to support the complex infrastructural needs related to the substation itself as well as threading components of Eversource’s transmission and distribution network through contemplated development sites and around in-place utilities. It has to be responsive to public priorities, including the elaboration of open space

strategies and improving pedestrian circulation in the vicinity. It also contemplates commercial development sufficient to financially support the heavy infrastructure investment required from BXP to be economically viable.

The project includes the delivery of 400,000 sq ft of residential rental units, demolition and relocation of parking facilities, construction of an underground substation, and the incremental addition of 800,000 sq ft of commercial development distributed across the Blue Garage parcel and 14 Cambridge Center. Mr. Hatch explained that the Blue Garage would be demolished first, followed by building the infrastructure from Binney Street to Broadway for cabling on the south side, the below grade substation itself, and the below-grade garage on the north side of the parcel. On top of that interconnected infrastructure complex would be an all rental residential building of approximately 400 feet in height at the south end. This all-rental building would yield more units than the anticipated plan for the 135 Broadway building but it would retain the affordability characteristics. Moving to the north, there would be open space over the substation and a West commercial building of up to 250 feet in height. Phase 2 of the redevelopment plan would focus on 14 Cambridge Center, with the demolition of the existing building and construction of a below-grade parking facility to recover the contractual obligated spaces. A new 250-foot-high East commercial building would be built over this garage. The exact square footage distribution of the commercial buildings has not been determined. With respect to open space, Mr. Hatch said that two private open spaces currently exist to the north and south of the Blue Garage. The proposal envisions consolidating open space to the middle of the parcel and creating a new connection to the Sixth Street Connector. He showed illustrations of various massing examples for distributing the square footage between the two commercial buildings as well as examples of possible designs for the residential tower.

Ms. Levering gave a high-level overview of the MXD zoning and KSURP changes. The sections where the zoning text is modified are shown in gray. The first change needed in the petition allows a regional substation as a use. Currently, only a district level substation is allowed. The commercial gross floor area (GFA) cap would need to increase by 800,000 sq ft if and only if the Eversource substation gets relocated to the MXD parcel. Another change adjusts the 400,000 sq ft of housing to a single phase rather than the current two phases in the existing plan. The housing must be built prior to or at the same time as the substation commercial GFA. Basic substation design information would need to be included in the CRA's IDCP as well as a narrative explaining the compatibility with the 2013 K2C2 planning document 2013 and the 2017 Volpe Working Group principles. The Innovation Space concept that was added as a requirement in 2015 will not be applicable to the substation commercial GFA. Ms. Levering spoke about additional GFA exemptions in the zoning petition. The GFA exemption for up to 8% for residential outdoor decks will be extended to commercial GFA. The Eversource substation GFA will also be exempted. There will be an exemption for up to 20,000 sq ft of educational lab classroom or training space if it provides services to the general public. The lot-by-lot floor area ratio restrictions will be removed as land use controls of height and GFA have been more instrumental in guiding the development in the MXD. The height limit for residential building will be increased from 350 feet to 400 feet and the height limit for commercial buildings along Binney will be increased from 200 feet to 250 feet. The active ground floor requirement will be modified for narrow buildings (of 100 feet or less) so that only 40% of the ground floor is required to house "active" uses. This accommodates other ground floor needs such as lobby, bike parking, and mail room. This proposal eliminates the condo requirement that was agreed upon in the City Council's letter of commitment in 2015. It does maintain all the affordability requirements for residential. The 400,000 sq ft residential building will have 20% inclusionary units and 5% middle income units; and 5% of the 400,000 sq ft must be three-bedroom family sized units. There will continue to be no minimum parking requirements for commercial but the residential parking ratio will be reduced from .4 to .25. Lastly, the bicycle parking will be modified to allow the Planning Board to approve a campus planning approach for parking with creative solutions, such as public bike sharing stations, storage facilities for those bike sharing organizations, counter-cyclical bike parking facilities, and complementary valet parking.

In addition to the MXD changes, KSURP amendment #11 would need to align with the MXD zoning changes. In addition, a substation relocation would need to be added as an objective to improve district infrastructure capacity, including accommodating regional utility facilities in manner that minimizes impacts to adjacent neighborhoods. The KSURP would be extended by 5 years to 2035 in order to ensure that CRA oversight continues through completion of these changes. In addition, the Kendall Square Urban Renewal Plan would be renamed the "Kendall Square Urban Redevelopment Plan" in recognition of the disproportionate impacts that urban renewal programs across the country have had on communities of color, often times intentionally so. This name change reflects the community equity mission of the CRA today

Ms. Levering emphasized that this has been an iterative process. The project concept was first publicized in April 2010. Since then, there have been a number of public meetings with the CRA Board and neighborhood groups. A coUrbanize website (www.mxdsb.site) was also created in April 2020 which has updates, presentations, and sections for comments and feedback that are shared with the team and others.

Ms. Levering gave an overview of the complex KSURP/MXD regulatory entitlement process. At this point in time, the Substation Alternative phase is completed. The process is now in the MXD Zoning Petition / KSURP Plan Amendment phase. If these are approved by the CRA Board, they would be submitted for review by City Council and the Planning Board. In addition, since these changes represent a major KSURP amendment plan, the amendment would need to go through an Environmental Impact Review (EIR) process for approval by the Massachusetts Environmental Protection Agency (MEPA) and the Department of Housing and Community Development (DHCD). Separately, and in parallel, Eversource needs to go through a Department of Public Utilities (DPU) process that requires approval from the Energy Facilities Siting Board (EFSB). In order to meet their timeline, Eversource needs to submit a proposal to the EFSB by the beginning of next year. If all that happens, there would be an IDCP and special permit process with a joint review by the CRA and Planning Boards. Finally, a development agreement between the CRA and BXP would need to be modified.

Members of the BXP team - Ian Hatch, Michael Tilford, Melissa Schrock, and James Rafferty, as well as the Eversource team, were present to answer questions as well as the Eversource team.

The additional public comment session was opened to questions regarding the MXD Zoning Petition and KSURP amendment presentation.

Jim Gray asked for an explanation of educational lab space and the target audience. Mr. Evans said that there is not a specific proposal as yet. He explained that the goal is to provide incentives to a developer similar to those in the current IDCP. The current IDCP included a requirement for innovation space and an exemption from the GFA cap if a portion of a building's innovation space was committed to provide below-market space. This innovation space is currently occupied by CIC. The below market space evolved to become a coworking space, now called Link-Kendall, that targets workforce development, economic development, and education opportunities. Its goal is to link the economic development opportunities in Kendall Square to neighboring communities, with specific focus on organizations that reach out to communities of color or other communities that were not participating in the innovation economy as strongly as others. It was decided that this innovation requirement and GFA exemption for below-market innovation space would not be provided with the 800,000 sq ft. However, because Link-Kendall was unable to offer desired lab classroom spaces, an exemption for this particular use would be included in the proposed zoning to incentivize developers to provide such spaces. It is expected that the one of the commercial buildings would be a lab building that would already be adequately equipped to offer a ground floor public community lab component. Mr. Gray would like to stay informed and become part of the conversation.

Ilan Levy asked for clarification of the community benefits for this increase in density. He also would like to see an infrastructure impact study of the effect of such a major project on the small area that is Kendall Square. The climate crisis is real and he wonders if this project is following the net-zero approach. Mr. Evans said that the primary community benefit of this project is moving the Eversource substation out of a neighborhood. There will be benefits in the block's urban design by removing the garage and connecting the open space network in Parcel 2 to the Volpe parcel. Todd Lanham, from Eversource, said that this substation does provide for the future load growth in Kendall Square and East Cambridge. It also integrates other existing substations in Cambridge creating a robust, resilient, and redundant energy network.

Mr. Evans asked Michael Tilford, from BXP, to reply. Mr. Tilford repeated what he has said in multiple public forums. BXP was asked to provide a proposal. BXP is a development company with a fixed amount of land and, as such, plans to finance the project through development. About 18 months ago, the City asked most of the active developers to find an alternative site for the substation. He said that this proposal is not going to solve every problem in Cambridge or make everyone happy. BXP has been transparent.

Heather Hoffman clarified her previous statement regarding rentals versus ownership. These big buildings are not operated for long-term tenants. In her conversations with developers, she said that a 50-100% turnover is expected annually. She said that short-term rentals should not be allowed. Ownership is important because it keeps tenants in spaces longer. This development is causing gentrification. People are leaving because the City

refuses to build enough housing. She is angry and offended that not one single developer in Kendall Square, nor the City, has ever acknowledged their role in creating this problem.

Chuck Hinds, agrees with Ms. Hoffman. He is a strong believer in home ownership, including in affordable housing, because it builds equity. He asked for the reason for dropping the condo requirement. Mr. Evans replied that dropping the condo requirement was part of the solution offered by BXP. Historically, the condo commitment was put into the 2015 petition by City Council at the last minute during the final hearing. It was not a component of the CRA's community process nor was it discussed in conversations with the City housing office. The City housing department stressed the need for affordable housing, including suitable housing for family households. Therefore, in addition to the 20% inclusionary requirement in the 2015 petition, there was a 5% middle income requirement, and a 5% 3-bedroom requirement on the 25% of below market housing. The CRA remains focused on the housing affordability aspect.

Melissa Schrock, from BXP, added that the reorganization of the site - the burying of the garage, the burying of the substation, the commercial development on the northern side, and the public park – puts the residential component in a tight footprint. The high-rise construction is very different from Third Square. This project is increasingly complex from a financial perspective. There is also additional market risk when developing for-sale units. Therefore, BXP is offering a rental product which will actually create more units and therefore more affordable units. In response to Ms. Drury's question about the residential property being devoted to providing short-term rentals, Ms. Schrock said that renters can be long-term members of the community. It is true that there is turnover in rental buildings as well as condominium buildings. She noted that condos can be bought strictly for investment purposes.

Mr. Evans restated part of the zoning that is not changing. The GFA requirement is for 400,000 sq ft of housing but also has a requirement to provide 5% middle income units which are delivered as a GFA bonus so the actual math comes out to be closer to 421,000 sq ft, more or less. All of that comes to a 25% below-market component. Ms. Schrock said that the 3-bedroom requirement is also required to all be either affordable or middle income, which dictates family use as opposed to three students.

Ms. Born said that the condominium agreement and side letter that was signed at the 11th hour on the last night of ordination at the City Council hearing, was not an issue that the CRA had discussed before that. She does not consider the removal of the condominium requirement a reversal of a CRA policy. It is also her understanding that zoning cannot regulate ownership. In the days of rent control, she said that to get around this, a unit would be made into a condominium which was then often rented. As a City Councilor 25 years ago, she remembers getting a complaint from a homeowner about condominium units being purchased by investors for their children who were students in area universities. Requirement for home ownership does not guarantee long-standing community members who have a stake in civic issues.

Ms. Levering read a note in the Q&A from Ms. Hoffman saying that Ms. Born is correct, which is why the condo deal is in the side letter and not in the zoning.

Nicola Williams appreciates the conversation, especially around ownership. She said that with gentrification and the Black Lives Matter reckoning in Cambridge, this is actually an opportunity to do something bold and lead as an example. In 2015, at the same time the proposal was put into place, the Federal Reserve Bank of Boston developed a report called the *Color of Wealth in Boston*. This report studied the personal wealth data of the greater Boston community and revealed an alarming revelation that the net worth of African Americans was \$8, Dominicans \$0, Caribbeans \$3000, and whites \$245,000 per household. This data alone should compel every developer to use their power and resources as a means to address this inequity that exists in Cambridge. She suggested another side letter with criteria to address the issue of racial inequities. Homeownership is a way to do that and should be part of every development. It is important as affordability.

Bob Simha said that this began in 1965 as a mixed-use project and people were committed to having residences, office, and retail spaces that would make this area of the City a more creative and decent place to live. The responsibility fell to the CRA to achieve that objective. The CRA hasn't been thinking about housing as part of this overall effort in a way that produces housing that can make for a substantial contribution to affordability. The CRA is the only agency with the power and the resources to make this happen. He is frustrated with BXP's Proto building on Ames Street where a 350 sq ft micro unit can cost \$2,500 to over \$5,400/month, which clearly

guarantees that these will be occupied by essentially a hotel population. The CRA must make some contribution to this area. The condo issue was raised in 2015 because of a growing concern that we needed to make a reasonable commitment to homeownership for people in the affordable category in the City. He said it would be fine to do nothing with market rate condominiums but the CRA needs to think what the CDD could do with an inventory of homeownership opportunities in a project of this size that could help a significant number of people. He urged the Board not to dismiss this just because it was something that was not previously considered by them. The CRA has a moral obligation to be creative, not just to go along. He is also disappointed that the CRA is thinking about its responsibility as an island. The public is uncertain whether the CRA has had any discussions with the MIT investment company regarding the Volpe site. He is very disappointed that there is no collective effort to calculate all the development activities going on in the area and what their total implications will be. There are millions of square feet of development in progress including this proposal, the Volpe Site, as well as a 500,000 sq ft project on Third Street. The public has not been told what Eversource expects for a load demand. The CRA should have this data. The public should know this as well. This MXD project is not what it should be. He understands the self-interest of Boston Properties, however, there are two similar projects in Boston that are being built right now that have mixed condominium and rental housing. They are all high-rise buildings so it can be done if you want it to happen.

Ms. Born reminded the audience that when the MXD zoning was passed in 2015, the City was operating under a requirement that 11.5% of every housing development be affordable housing. The CRA project took it to 20% with 5% middle income added. It is untrue to say that the CRA wasn't committed to providing affordable housing in the City. She added that the CRA Board and staff have had little conversation with MIT and know very little about what is happening on the Volpe site. The federal part of the development was done with virtually no communication with the community or with the CRA as an abutter. It would be an ideal world if all the development in Kendall Square were coordinated but that is just not the case.

Mr. Evans said that the CRA is facilitating a storm water pipe connection on the Sixth Street Walkway for the Volpe development which involves a special manhole cover. Other than that, the CRA knows as much as the public. He added that during the Volpe Community Day, MIT alluded to beginning some community site planning conversations this fall for their special permit.

Mr. Bator echoed Ms. Born's comments. The CRA Board was deeply concerned from the outset with affordable housing which was recognized as being the most fundamental and pressing issue. The notion of ownership was not before us. He takes umbrage to the tone and the most recent comment. He is offended to have it be suggested that the CRA's motives are to "pass this along", to not face the significant issues before the CRA, or to just go along with the private interests of BXP. This is deeply contradicted by the record of this Board since it was formed in 2012. It is also offensive to suggest, without evidence, that the CRA has had private communications with regard to Volpe that it is not sharing. He reiterated Ms. Born's comments regarding the complication and history of home ownership. The evidence that he is aware of in Cambridge, is that the ownership requirements in Cambridge have been consistently gamed by wealthy people. This informed this Board's view to address the clearly addressable problem of affordability, within its limited purview.

Mr. Evans said that the CRA anxiously looks forward to having conversations with MITIMCO regarding the open space connections. It will be interesting to see how the two blocks will work together and hopes to have some sessions to talk about open space and urban design.

Mr. Crawford supports the Linden Park and East Cambridge residents. If most of the energy and electricity is being used by labs and commercial use in Kendall Square, the commercial district should bear the impacts of that use. He agreed with Ms. Born and Mr. Bator regarding the lack of information regarding the Volpe development and Mr. Evans comment on what little is known. He understands the issue of inequity and its impacts. He supports the overall scale of the affordable housing. There are still many steps that need to be taken before this project is a done deal.

Mr. Evans said that a resolution regarding the urban renewal plan was drafted by CRA lawyers, Foley Hoag. The zoning process involves CRA filing a petition to the City, which makes the final decision about the petition. However, the urban renewal plan amendment is a separate process. The only change to the plan that is not due to the Eversource substation is the change of plan's name to the "Kendall Square Urban Redevelopment Plan", to delink it from the urban renewal programs of the middle of last century.

The resolution has eight components. Mr. Evans said that the first component of the resolution acknowledges that the CRA is following public meeting law, although modified under the current circumstances. The CRA is restating the amendment as opposed to attaching a list of changes. The resolution notes the finding of an alternate electrical substation location. Although Eversource said that the substation needs to be online by the end of this decade, another component in the resolution is an extension of the KSURP term by five years, in case the development lags in completion. The plan will be renamed the “Kendall Square Urban Redevelopment Plan.” The plan changes have been coordinated with the affected redevelopers in the area. He noted that other developers in the area are aware of this even though they are not directly impacted by the amendment itself. The final component states that parallel changes will be proposed to the zoning ordinance. The KSURP document, being a major plan amendment, needs City Council approval, a Cambridge Planning Board finding of consistency with the general planning goals of the City, a MEPA review, and Department and Housing and Community Development approval. There is a different set of steps for zoning petitions for the MXD because these also fall within the KSURP.

In response to Mr. Zevin, Mr. Evans said that the urban renewal plan cannot be modified by City Council without coming back to the CRA Board. He agreed that there could be compatibility issues if changes were made to the zoning petition that weren't compatible with the urban renewal plan. Mr. Zevin recalled the midnight side agreement on ownership which occurred in the City Council chambers. He added that a lot has been said about ownership and non-ownership and it is complex. The Fulkerson Street site would be a wonderful location to do some home ownership housing, maybe even at a higher density than allowed by the current zoning. It is not under CRA purview to rezone that parcel but the CRA could make a statement that urges the City to take that as a benefit.

Ms. Born added that with a homeownership project that is 100% affordable, there aren't the problems with people renting their units or having foreign investors. The people living in those units are selected via a City housing office and almost guaranteed to be invested in the community. Ms. Drury agreed that the Fulkerson site is a great idea that deserves more thought. The affordable housing overlay has just about passed which will enable more of that kind of housing. Mr. Evans added that while there may be consistent turnover of the market-rate rental units, occupants of affordable housing units will tend to stay in those longer as there is a long wait-list to get those units.

Ms. Born said that there are two motions on the table. The first one is to submit the zoning petition and the second one is to approve the amendments to the KSURP amendment. Mr. Evans said that the Board hadn't formally closed the second public comment session and there are questions in the Q&A log which should be read into the record.

Ms. Levering read from the Q&A log

- From Charles Hinds: I have sold several affordable housing condos in Boston as a broker. The covenants I have seen restrict rentals. Kathy is correct that affordable housing is not zoning, but a deed restriction. I do want to thank Boston Properties for stepping up with this proposal.
- From Heather Hoffman: I hope you will also address protecting the substantial and welcome investment Boston Properties made in the Sixth Street Extension trees. A 250' tall building and all of the excavation that is planned right next to it seem as though they could pose a grave danger to the trees. The problem at Fulkerson Street that set up the clandestine sale to Eversource began with a project that was supposed to be a condo that couldn't get funding. I will remind all of you that I spoke specifically about housing that encourages long-term residency. I am agnostic between owning and renting as far as that goes, but developers themselves have told me that they expect 50-100 percent annual turnover in these large rental buildings.

A motion was moved by Ms. Drury to close the second portion of public comment. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

A motion was moved by Ms. Drury to authorize the Chair and Executive Director to submit a petition to amend Chapter 14 of the Cambridge Zoning Ordinance to the City Council for consideration in order to facilitate an alternative location for an electrical substation in Kendall Square. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

A motion was moved by Ms. Drury to adopt the resolution approving the proposed eleventh amendment to the Kendall Square Urban Renewal Plan to conform with the proposed zoning petition and to rename the plan to the Kendall Square Urban Redevelopment Plan. Additional Public Comment Regarding the MXD Zoning Petition and KSURP Amendment. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

Mr. Evans said that he would submit the material tomorrow. He thanked staff of Boston properties and Eversource for their presence to answer the technical questions.

Ms. Born said that nothing that was done tonight precludes the condominium requirement from happening. The way it happened before was in a side letter with the City Council that the CRA was not party to, nor was there any role for the CRA to be party to that letter. The same thing could happen again so it would depend on the City Council. The other Board members agreed. Mr. Evans said that he would follow up on researching the other mixed tenancy models that were mentioned. The CRA has also been discussing home ownership in relation to the Margaret Fuller project.

At 7:42 pm, the Chair asked for a 10-minute break. The meeting resumed at 7:52 p.m.

4. 93-99 Bishop Allen Renovation Project Budget

Motion: To authorize the Executive Director to advance the designs for the renovation of 93-99 Bishop Allen Drive, conduct tenant relocation activities, and initiate the construction bidding process for the renovation project utilizing the anticipated overall project budget of eight million three hundred and fifty-five thousand dollars (\$8,355,000).

Ms. Schwarz said that the project is moving along with weekly advances. The scope has expanded over the last few months and weeks, partly due to the conversations with the Board. There is an eye toward environmental sustainability and investing fully in the building now as opposed to opening up a new project in the future that would probably, in the end, cost more money and cause more disruption to our nonprofit tenants.

The scope now includes a fully electric heating and cooling system. Rather than making the building solar ready, it was decided to do a full solar panel installation which will now require upgrading and replacing parts of the roof. More work is needed to determine the full cost of this installation. As discussed in the last Board meeting, all the double-hung windows will be replaced with more environmentally sound and historically accurate windows. The scope also includes an expanded stormwater drainage plan that is still being studied.

The project is on schedule to start construction this January. However, the expanded scope will probably increase the construction phase from 6-8 months to 8-10 months. This will have a result of increased costs for tenant's storage and tenant swing space.

At this time, the total project budget with all the costs would be around \$8,685,000. This includes a conservatively generous estimate of the cost for the solar installation. The City of Cambridge's Community Preservation Act (CPA) Committee recommended that this project receive its full request of \$330,000 for historic preservation. The City Council approved the recommendation this past Monday. The CPA members were strongly in favor of this project.

The motion can either have an overall project budget amount that includes the \$330,000 CPA funds or a CRA approved expenditure amount that does not include the CPA funds. The same presentation of renderings that was shown to the Board in August is attached to the memo in the Board packet but the exterior renderings need to be updated to show the more historically accurate windows. One more cost estimate is expected before developing the bid documents and an update will be given to the Board in the October meeting.

Mr. Evans said that the CRA has not established a capital budget procedure. All of the past budget approvals have been part of an operating budget. Most of these expenditures will occur in 2021 but some of design and other soft costs are occurring now. For the project to continue, staff is asking for approval of this large investment. Over \$6 million are capital costs for the project which, from an accounting viewpoint, is not an expense but a transition of assets from cash into a fixed asset.

Mr. Bator agreed that the motion should state the CRA's financial commitment rather than the project's budget. In response to Mr. Bator, Ms. Schwarz said that there will be an analysis of the estimated savings by going solar. She said that there will be savings operationally over the term of the building from the solar but it won't cover 100% of the utility expenses. Tim MacKay, from CRA's owners project manager STV DPM, said that the savings could be as high as 40-60%. The payback period for the panels is about five to seven years. Mr. MacKay is working on numbers for switching from fossil fuel dependent water heaters and HVAC systems to electric equipment. In response to Mr. Bator, Ms. Schwarz said that the amount in the motion does include a conservative rough estimate of everything that is required to install the solar.

Mr. Evans noted a comment in the Q&A that says it may behoove you to explore a collaboration with a for-profit for the solar panel installation to capture the value of tax credits. Ms. Born said that the comment is from an abutter to the property. Mr. MacKay said that the panels need to be procured via public procurement laws. Also, a non-profit cannot realize tax rebates.

Mr. Evans said that the motions includes the financial commitment of the CRA, as long as the solar and other add-on costs don't exceed the expected CPA funds. Ms. Schwarz clarified that the numbers are coincidentally the same but CPA funds are not being spent on solar panels. The CPA funds will be used for repointing the façade, the windows, and the lintel repairs.

A motion was moved by Mr. Bator to authorize the Executive Director to advance the designs for the renovation of 93-99 Bishop Allen Drive, conduct tenant relocation activities, and initiate the construction bidding process for the renovation project reflecting a commitment of eight million three hundred and fifty-five thousand dollars (\$8,355,000). A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

5. Monthly Staff Program and Financial Report

Mr. Evans said that the October meeting will be looking at budgets, audits, and internal controls. About \$1.4 million have been distributed in Covid assistance loans. There are a few businesses that have been nonresponsive. When the loans have been finalized, the Board will be asked for a decision for the remaining funds. Besides receiving funds for the Bishop Allen Drive building, CPA funds have also been received for brick repointing of the Foundry as well as an interpretive display about the women's labor history in the building.

The main communication with MITIMCO has been about the Sixth Street Walkway and their sewer connection there. It looks like there was some damage to the walkway from the construction activities and some repairs might be needed. There were plans to move some of the shrubs along the walkway but it was decided to keep them up during the federal construction process for screening. Their removal wouldn't help improve visibility since there are construction trailers in the way. Finally, one of the trees in the corridor hasn't survived the dry summer. This is disappointing as every design and maintenance issue that the CRA makes on the walkway focuses on tree preservation.

Construction of 325 Main Street is progressing fairly quickly. Staff is waiting for one last major design component of the project, the Wayfinding and Art master plan. There had been an initial conversation with Boston Properties and the plan is expected to come before the Board within the next couple of months.

Staff has been having conversations with the Marriott and Boston Properties about the pedestrian passthrough from the T station to 50 Broadway. There has been some progress on a temporary solution which will allow it to open up during commuting hours regardless of what the hotel operations are. The details are still being discussed. The Marriott hotel will be opening up in a limited manner shortly but there needs to be a Covid-safe way to open the internal passageway as that is a key part of the pedestrian circulation.

Mr. Evans recognized and thanked the CRA staff for their ability and adaptability to accomplish so much in the past six months while working remotely due to Covid. The Board all thanked the staff.

Ms. Kailasam said that August was a quiet month in terms of financial activity. The market has allowed the CRA investments to reach the full 30% equity exposure. That has contributed a lot to the income portion of the financials. She expects to see significant changes in the last quarter due to the commitments for the renovation of the Bishop Allen building. The 2021 budget will be the next focus financially. Mr. Evans said that the reporting structure of the CRA financials will be changing to better reflect its more complex operations. Ms. Kailasam added that although \$1.4 million was dispersed, the budget vs. actuals report doesn't show that. It's a change on the balance sheet because the money went from cash to an asset since they are slated to be repaid. The first payment is due next September and at that time, it's possible that some of these 0% loans will not be repaid. Therefore, a portion of the \$1.4 million would go into a bad debt expense. Mr. Evans added that it is not a true \$1.4 million asset because the final payment is forgiven if all payments are made on time.

In response to Ms. Born, Ms. Kailasam said that out of the small businesses that got loans, the arts-related companies were a for-profit dance studio. Mr. Bator said that the Dance Complex did receive money from the Forward Fund. Ms. Kailasam said that the Covid assistance program started by the City was targeting street level retail that served customers. Mr. Evans said that the City denied the Dance Complex's application because their nonprofit status disqualified them. It has been pointed out to City Council that there are many nonprofits, such as performance arts organizations, that didn't fit into the Covid relief but were impacted a great deal. He said that the Mayor's Fund has been modified to provide assistance. The CRA will continue to have conversations about other ways to provide Covid assistance.

Mr. Bator said that the current budget structure doesn't account for bad debt. Ms. Born read a comment from Ms. Hoffman, that said "Discussion outside of the City Council conflated the community benefits grants, which were only for 501(c)(3)s and several of which went to arts organizations, and the mayor's fund, which was much more geared to for-profit entities."

Additional Public Comment

There were no requests to comment.

Adjournment of CRA Board Meeting

A motion to adjourn the meeting was moved by Ms. Drury. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried unanimously.

The meeting was adjourned at 8:50 p.m.