



Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, December 21, 2016, 5:30pm
Robert Healy Public Safety Center / Cambridge Police Station / Community Room
125 Sixth Street, Cambridge, MA

FINAL Regular Board Meeting Minutes

Call

CRA Chair Kathleen Born called the meeting at 5:39 p.m.

The CRA Office Manager and a member of the public will be recording the meeting.

Other Board members present were Vice Chair Margaret Drury, Treasurer Christopher Bator, Assistant Treasurer Conrad Crawford, and Assistant Secretary Barry Zevin. CRA staff members present were Tom Evans, Ellen Shore, Carlos Peralta, and Jason Zogg. Kathryn Madden and CRA attorney Jeff Mullan are expected later.

Public Comment

There were no requests to enter a comment.

A motion to close the public comment portion of the meeting was moved and carried unanimously.

Minutes

1. Motion: To accept the minutes of the August Meeting of the Board on November 16, 2016

Ms. Born noted that some minor edits were given to Ms. Shore before the meeting. The placement of a quoted caption was discussed by Ms. Born and the newspaper reporter, Chloe Reichel, who was in attendance.

A motion to accept the minutes of the Board meeting October 19, 2016 and place them on file carried unanimously.

Communications

2. Staff Report regarding 101 Rogers Street from Charles Sullivan Executive Director of Cambridge Historic Commission dated 11.28.16

Mr. Evans said that this item can be included with agenda item #6 but noted that the Commission will be hearing the case on January 5, 2017. The CRA will be attending, as will the City as the owners, and will be allowed to speak to the Commission directly. Mr. Evans did not believe the Foundry is a threatened building.

3. Communication regarding the Foundry from Cambridge Non-Profit Coalition dated 11.30.16

Ms. Born suggested that this item also be included with agenda item #6.

4. Communication regarding the Foundry from East Cambridge Planning Team dated 12.3.16

Ms. Born suggested incorporating discussion regarding this email into the agenda item #5.

The communication files will be placed on file at the time of the related item's discussion.

Reports, Motions and Discussion Items

5. Report: Infill Development Concept Plan and Proposed Amendment to the Cambridge Center Development Agreement

Mr. Evans noted that two items regarding the Development Agreement would be discussed in tonight's Executive Session. The first item is the actual development payment - its timing and what counts as infrastructure. The second item is the process of design review, which is Exhibit C in the initial development agreement but because this was written years ago, the technical steps for submission need to be updated. In addition, the joint review process by the Planning Board (PB) and CRA Boards needs to be integrated into the agreement. In November, Mr. Zogg showed the Board a draft flowchart of responsibilities to move through the Infill Development Concept Plan process. Both Boards would reflect on the schematic design. After approved, the design development documents and construction documents would be staff reviewed. Negotiations regarding the Development Agreement are currently occurring with the City and Boston Properties (BP) and are close to being finalized.

The joint CRA and PB hearing in September included a quorum of the PB which could not be brought together again so a continuation of that hearing could not occur. As part of the Special Permit process, a new quorum needed to be formed which needs to meet jointly with CRA. Mr. Evans stated that the PB meeting last night was a catch-up for the new quorum as well as a briefing of the design changes made in response to comments. He added that there was not much new material discussed that the CRA Board had not heard. Some of the main topics discussed were wind, circulation issues in the drive aisles, and concern for the loss of trees in the revised design plans. The North Garage and the creation of a recreation facility and/or enhanced open space which is noted in the distributed memo from the East Cambridge Planning Team (ECPT), were discussed at the PB meeting. Testimony from the ECPT and the Cambridge Residence Alliance was given at the PB meeting and reinforced the concern. Mr. Evans stated that the current proposal for the top of the North Garage has some open space and solar panels to address the sustainability aspects of the project. Technical analysis is needed to meet the City's requirement while enhancing open space.

Mr. Evans added that the PB also discussed the testimony given on the effects that the proposed new bike path could have on the trees on the Sixth Street walkway. Arborists are now looking at the viability of the planned permeable surface. Mr. Evans noted that permeable surfaces require deeper digging. Mr. Zevin shares those concerns. Mr. Evans said that the CRA is very sensitive to the design. He added that the Grand Junction project added a path near trees which seem to be doing okay. Mr. Zevin feels it is appropriate for the rooftop to be solely for the many residents. He added that it would be difficult to get to nonresidents to the rooftop. He also stated that building a swimming pool on the rooftop doesn't make sense and wants to push back on this request. Mr. Evans said that public open space versus private open space for residents versus solar energy could be worked out at the building's schematic design. Mr. Crawford feels that the human needs of the building's open space overrule a solar industrial production facility. He also stated that established older trees near the Emerald Necklace's active bike paths have survived. Three discussions at the PB meeting centered around trees - along the current walkway, along the garage today, and next to 145 Broadway as wind mitigation.

Ms. Born stated that some of the issues mentioned in the ECPT letter are components of a major facility. The Volpe site could be better planned for these rooftop uses. MIT knows how to run those facilities. Mr. Evans stated that the neighborhood feels that the private arrangements for swimming pools and other facilities have not been satisfactory met. He said that a few people mentioned that since the Binney Park is so small, the residential building should take up that area, move north, closer to Binney Street, thereby increasing the size of the open space on the roof. Although that Binney Park is coveted open space and

the EIR stated honoring such areas, Mr. Evans said that this could be investigated. However the programming for both those parks, their proposed landscaping and the amount of sunlight on the north-side need to be considered in the decision.

In response to Ms. Born, Mr. Evans stated that while there is still some flux on the open space design, the PB was mostly positive about the architecture of 145 Broadway. They felt that the proposed changes were improvements particularly to the ground floor retail space and the arrangement of the “jenga pieces.” Ms. Born noted that it is important that the CRA Board be included in non-building design decisions. Mr. Evans said that the design review document is being written to address open space design review.

Mr. John Hawkinson stated that he also attended the PB meeting and the ECPT expressed that the public improvements of the project didn’t match the size of the project as compared to other projects, which got a skating rink, canoe rentals, and Rogers Street Park. He added that with the Volpe development, there was an expectation that the pedestrian traffic would shift. Mr. Evans noted that some of the pedestrian traffic could be absorbed by Fifth Street but the City’s bike plan has shown a key corridor along 6th Street from Cambridge Street running through to Vassar to the river. Lastly, Mr. Hawkinson said that the PB mentioned that the building design was getting better each time and will most likely give their accolades at the January 17 meeting.

Ms. Heather Hoffman added the crabapples on Binney Street were mentioned as well.

Ms. Born stated that the CRA will be receiving money intended for community developments so if BP doesn’t do it, the CRA has the option of applying the funds. Ms. Hoffman said that history has shown that over decades, BP has not shared like the other developers have. Even when BP committed to improvements, they need to be pushed to follow through. Ms. Hoffman suggested communicating the income from the sale of development rights and the associated community benefits. Ms. Drury noted that the CRA had a big strategic planning meeting for the public to express how funds should be used. Mr. Evans said that affordable housing and transportation were concerns heard at that meeting and the CRA has done good acting on these. Mr. Evans said that the CRA can do a better job communicating this information.

Mr. Bator said that the perception will change when the CRA does things with the development funds. The CRA has voiced the goal to take the wealth and distribute it citywide. It’s hard to change perception if people aren’t paying attention. The CRA needs more outreach to get the word out. Mr. Hawkinson said that there is no connection between the project and the work of the CRA Board. Ms. Born noted that one of the components for the mitigation of this project required BP to build a dedicated raised cycle track. Ms. Drury added that transportation funding and lowering the number of cars which helps the environment are important contributions. In response to Mr. Crawford’s question about the survey mentioned in the ECPT memo, Ms. Hoffman said that 80% of the respondents were not members of the ECPT. There was a discussion about the extent of its distribution. Ms. Born noted that the City does a survey biannually that is sent to every household. There is also a telephone sampling survey.

5. Discussion: Foundry Redevelopment Project

Ms. Born noted that Ms. Kathryn Madden, CRA attorney Mr. Jeff Mullan, and members of the Foundry Advisory Committee (FAC) members Ms. Deborah Ruhe and Ms. Folakemi Alalade were present.

Mr. Evans summarized that there are many concerns about the current proposal coming from ECPT, the Cambridge Nonprofit Coalition, and some City Councilors regarding the level of public space and reserved community space of the project. CRA staff is in contact with CIC and has relayed these concerns. A solution with respect to governance and programming has not yet been satisfactorily resolved. The City recognizes that this is the CRA process. Mr. Evans said that the process is somewhat stuck. Currently, there is a motion on the table at City Council. Mentioned in the Council order is a notion that the Foundry would be torn down and replaced with something bigger. The Historical Commission received a request to landmark the building. The CRA has explained to the Commission that there is nothing in the lease from

the City or the proposal from CIC for substantial demolition. Mr. Evans noted that the FAC members have devoted a great deal of time and helpful feedback and are aware of the current situation.

Ms. Madden said that there is likelihood for more City money which would create a new procurement process. Mr. Evans added that some City Council members said that they would have been willing to put more money into the project from the beginning. The CRA is following the initial Council order which specified certain numbers. The City Manager has not taken a position on extra funding so as not to disrupt the current procurement. Mr. Evans stated that it is a challenge moving ahead in the current climate.

Mr. Zevin noted that implications of restoring a landmarked building need to be understood. Ms. Madden said that Mr. Sullivan from the Historical Commission has been aware of the project from the beginning and had informed staff on appropriate wording for the RFP regarding the envelope of the building. Mr. Evans added that land-marking has different thresholds. Ms. Born said that if the building were to be landmarked, it would add another layer of review and permitting which isn't necessarily bad. There was a discussion about the implications.

Ms. Born suggested waiting for a decision on the petition from the Historical Commission. Mr. Evans said he would attend the January 5 Historical Commission hearing and present the objectives in the Demonstration Plan that specifically reference preservation and enhancement of the historic features of the building. Mr. Bator restated that the CRA's financial commitment is significant, and more money cannot be offered at this time in the CRA's current financial situation. Mr. Evan noted that no one has mentioned more CRA money. Ms. Born thanked the staff, the consultants, and the members of the Foundry Advisory Committee. Ms. Born restated that this is not a failure but a step along the way. The time spent has provided useful lessons learned. She reiterated that this CRA Board values public confidence and public trust. Even though the process was started with the full support of the Council on two Council orders, the CRA Board understands when its elected officials have second thoughts and the CRA wants to be responsive to them. Ms. Born suggested closing this phase of the process.

The goal is still finding a redeveloper and operator within the terms of the lease. The CRA is still a tenant. Staff will need to rethink the process. Mr. Evans stated that the operation of the building is best done with involvement by a private nonprofit agency. Depending on the percentage of public money in a capital project, the project becomes a construction project. According to the lease, the DPW is responsible for the interim maintenance of the building. Ms. Madden thinks that the project will have to have some element of private capital dollars. In response to Mr. Zevin, Mr. Evans will be getting a better survey of the building. CIC/Graffito is noted as tentatively designated. The CRA is only obligated to try to negotiate a sublease with them, which is stuck. Mr. Evans noted that there is no wrong-doing by any party. This is not the conclusion that either party wanted to reach. However, the CRA has met the terms of the procurement that were based on a Council order which has come to an end because a satisfactory conclusion cannot be reached. Mr. Evans noted that having one bidder could have been a sign of a difficult situation. At the request of Ms. Born, Mr. Evans explained why a new procurement process is needed and the time that would take. Although redevelopment authorities are given some flexibility than other government agencies with respect to procurements and processes, the CRA wanted to have a competitive bidding process. The Demonstration Plan outlined that the project would include \$6 million from the City towards capital funds and \$2 million from the CRA towards operating costs. If these amounts increase, entities which did not participate beforehand might want to do so now. A new procurement is fairer to the development community as well as to the CRA for getting more participation. Mr. Evans noted that future requests should be more prescriptive.

Mr. Mullan elaborated. The CRA designed the procurement process. It has an exemption from the typical procurement that was laid out in the Demonstration Plan. The CRA decided not to be prescriptive in order to get knowledge from the private sector. He noted that CIC should be thanked and acknowledged for participating. The problem was that the circumstances which outlined the procurement had changed. Time was the enemy. He suggested a quicker turnaround for the second round. Get the processes locked in and bring it to conclusion because that's how the private sector operates. The deal cannot be closed with CIC since the rules have changed. The direction needs to change in a way that satisfies the public rather than force a situation that won't work. Ms. Born noted that the CRA listens to the public and can adapt its

course. Ms. Drury said that work needs to be done to have a successful second process. Mr. Evans suggested doing more work upfront to avoid a debate later on in the process. Ms. Born learned that the private sector views space as flexible and shareable but not everyone feels the same way. There was a discussion about shareable spaces and inclusivity. The CRA has learned a great deal from the process but suggested that the public might need to be educated as well as to what is possible and reasonable. In response to Mr. Zevin, Mr. Evans suggested that the City Council order on the table defines what is wanted by the City. He added that more CRA homework is needed on costs and income sources for operating and capital. The mission and objectives as written in the Demonstration Plan carry what the CRA has heard but there is more emphasis now on STEAM, especially the arts (A). Deborah Ruhe said that the challenge is aligning the expectations with the financial reality. Mr. Mullan suggested stronger market sounding, namely 1-on-1 discussions with developers. Private discussions allow developers to feel comfortable sharing their ideas which might not happen when other developers are in the same room. The CRA reached out to private industry with events but those events talked to the developer rather than with the developer. Mr. Zevin added that a successful shared use space might depend on what the uses are. While CIC is based on sharing spaces for people using laptops, an artist has different needs which might not work in shared spaces. Consensus is needed to determine who gets space in this building and for what use. A conversation with the City is needed. Ms. Madden said that the balance of the shared spaces was not right because there weren't any anchoring uses for the community. Trust in the governance of the space was a major issue. More money won't necessarily get more responses because of the increasingly political nature of the project, which could deter the private sector. The project needs to be managed so it gets done. Mr. Bator said that if the building can become an interesting building it will provide future interest in the area. Mr. Evans restated that the physical building needs to remain flexible for programming years from now. Ms. Born wants the building to serve the needs of all of Cambridge.

The motion to terminate the procurement for the selection of a development entity for the Foundry redevelopment and direct staff to work with the City Manager, City staff, the Foundry Advisory committee, and members of the public on a strategy to move forward with monthly updates on the project from the Executive Director on the project was unanimously approved.

Ms. Drury thanked Ms. Born for her positive and optimistic attitude and her inclusiveness.

6. Discussion: CRA Response to the East Cambridge Fire within the former Wellington-Harrington Urban Renewal Area

Mr. Evans explained that this is the first Board meeting since the fire. The Wellington-Harrington area was a former redevelopment project and there is a long-term relationship with Just-A-Start (JAS). Mr. Evans wanted to discuss how the CRA might be able to help with redevelopment planning. Deborah Ruhe, JAS Executive Director, stated that 20 JAS units were affected by the fire. Sixteen units were in the church and it is questionable whether the church can be saved. The other 4 housing units at 40 York sustained some damage but should be back within the year. Of the 19 families affected, 17 have been rehoused as of today. Seventeen or so private homes were also impacted. In total, 130 people were displaced in 65-70 families. The area is blighted now. The JAS is the largest property owner.

An overall plan to rebuild the area, including the church, is being discussed. The property next door is being worked on and could be acquired. JAS is sensitive to the number of affordable housing units since the numbers are adequate. Ms. Ruhe is looking to brainstorm ideas. Getting community input is important.

Mr. Evans noted that the Mayor's Fund has been well funded from public response. The money is used for immediate assistance. Although the area is not an urban renewal project anymore, the CRA could explore, with the City, its commitment to assist with blight prevention. Mr. Bator said that it seems appropriate for the CRA to step forward. Ms. Born wants to be clear that the CRA will not take the area by eminent domain and redevelop it. Mr. Crawford is interested in the CRA being a strong part of what happens next. Ms. Hoffman said that people are afraid that it's going to be bought up by faceless developers and turned into something totally opposite than what it is today. Ms. Hoffman would like the CRA to participate in keeping the smaller scale housing. Mr. Zevin, who lives in the Wellington-Harrington area, said that the buildings

should be rebuilt in such a way that the situation won't repeat itself which might mean that the topology might change. There was a discussion about changes to the zoning in the area.

Mr. Evans will talk with the City and JAS and lend staff and technical assistance.

7. Update: Forward Fund 2016 and 2017

Mr. Peralta said that most of the 2016 grant projects have been completed or will be completed in the beginning of 2017, with the exception of Magazine Beach which is waiting for the matching funds commitment letter from DCR. The status of the 2016 grants was included in the Board packet.

For 2017, the total budget for the fund has increased. Community outreach will be increased. New posters and cards will be distributed throughout the City. The website launch will be on January 23 with applications due by March 31. The Selection Committee should have their decisions by April 7 and winners will be presented to the Board at the April meeting.

Mr. Crawford noted the robust marketing plan. Mr. Bator wants to make sure everyone knows about the Fund, including the City Councillors. Mr. Bator wants to increase the scope dramatically in the future. Mr. Evans would also like to explore providing no-interest loans in the future to stretch CRA funds and help nonprofits get access to larger funds.

8. Update: Binney, Broadway, Galileo Galilei Way Streetscape Design

Motion: To approve a contract amendment to the contract with Alta Planning and Design for an additional \$23,108, for an amount not to exceed \$318,108, in order to expand the scope of surveying services.

Mr. Zogg said that the RFP that was written in the late summer and resulted in the selection of Alta Planning had three add alternates, all of which staff decided to execute. There were gaps in a survey for a corridor (add Alternate #2) which now proved to be more extensive once all the CAD files were obtained. In addition, multiple inconsistencies were found that needed to be corrected which required a scope change. After researching the cost and weighing the option of using a different and slightly less expensive surveyor, a decision was made to stick with SMC. The \$23,108 increase in prices for Alternate #2 increases the cost from \$14,000 to \$37,108 which increases the total cost of the project from \$295,000 to \$318,108.

In response to Mr. Zevin, Mr. Zogg explained that the 450 feet of Vassar Street is needed to properly design the Vassar/Main/Galileo intersection if the cycle track is expanded or redesigned. A protected cycle track doesn't drop down into the vehicle pavement which happens today. Mr. Evans added that turning curve cues are also involved in the decision.

Mr. Evans said that conceptual designs will be brought to the Board within the next few months. Mr. Zogg stated that a good base survey is better to have during design than during construction. The motion on the agenda was out of date.

A motion was made to approve a contract amendment to the contract with Alta Planning and Design for an additional \$23,108, for an amount not to exceed \$318,108, in order to expand the scope of surveying services.

A role call was taken.

Mr. Zevin - yes

Mr. Crawford - yes

Ms. Born - yes

Ms. Drury – yes

Mr. Bator – aye

The motion carried unanimously.

9. Discussion: Proposed 2017 Budget

Motion: To approve the 2017 Budget for the Cambridge Redevelopment Authority

Mr. Evans stated that this is actually a tentative budget since it will change when the development agreement with Boston Properties is finalized in the next few months. Other than the sizable income from the sale of development rights, the other income is mostly from investment interest and some revenue from the Food Truck program. Mr. Evans sees the potential for more work to be done in 2017 so an increase in staff at a planner level is expected. There will be an increase in benefits since Mr. Peralta was not included in the 2016 GIC and pension calculations. The budget has been increased for public outreach since some of the projects, including the recent discussion regarding Wellington-Harrington, will require larger meetings and discussions. Most of the outreach that was done in 2016 was paid for by Boston Properties as it focused on the Infill Development Concept Plan (IDCP). Rent will increase since the lease, which expires in 2018, has an escalator of 2% each year. As part of the IDCP, the innovation space will be located at 255 Main Street which is the location of the current CRA office. Relocating into the Foundry does not look promising at this time so other alternatives will be investigated. Telecommunication increased due to recently improved cell phone policy and the need more for more IT support as staff grows. There is a significant increase in landscaping. The 2016 actual amount only represents services on the Grand Junction from the time the CRA took over the maintenance of the park starting at the end of the summer. In professional services, most of the categories remain consistent with 2016. The bulk of the Alta Planning streetscape contract costs fall in 2017. This is due to delays in the survey work that Mr. Zogg mentioned as well as involved discussions with the City regarding street-width decisions. The redevelopment investments for the Foundry are a place holder. The maturing CD would be designated for Foundry.

Without including the income from the development rights, this budget shows a substantial net loss for the year. The proposed budget has been discussed with the Treasurer and Assistant Treasurer. Mr. Evans mentioned some other adjustments (shown in blue on the left side) - changes to category names and an aggregation of the office supplies account with the office expenses account.

Mr. Evans explained that the money dedicated to the redevelopment investments for the Foundry might not be an actual expense but a transfer of money from one bank to another. The money is not being spent but there is a commitment to hold it for the project. There was a confusion of the capital costs amount of \$120,000. Mr. Evans stated that this should be \$12,000 to match the income from the Food Trucks which would go into improvements and programming on the parcel. The 2016 actual capital expense was for work done on the Grand Junction. Mr. Hawkinson notice the budget mentions NStar which is now Eversource.

There was some confusion understanding the last line of the budget since the amount was in red (indicating a loss) but the negative sign wasn't noticed. The budget can be amended if necessary.

A motion was made to change the capital cost expense from \$120,000 to \$12,000 and approve the 2017 Budget for the Cambridge Redevelopment Authority.

A role call was taken.

Mr. Zevin - yes

Mr. Crawford - yes

Ms. Born - yes

Ms. Drury – yes

Mr. Bator – yes

The motion carried unanimously.

10. Monthly Staff Report and Financial Update

Motion: To authorize the Executive Director and Treasurer to open a money market savings account with Cambridge Trust to provide an interest bearing account alongside the current operational checking account

There are two operating accounts, one in Boston Private that is tied to payroll and one in Cambridge Trust that is used for all other checks. CRA tends to have a substantial amount of funding in the latter account. Staff met with Cambridge Trust to see if a portion of the sizable funds could sit in a money market account earning something and have a mechanism for transferring money between the checking and new money market account. Per CRA bylaws, an action of the Board is needed to open a new account.

The technology shift to a different server system has had a few bumps. There are advantages and disadvantages. On the future calendar, staff will present some streetscape designs and the Infill Development Concept Plan. Since the Planning Board is meeting on January 17, the CRA will move its January 18th meeting to January 11th and have an abbreviated meeting with hopefully a resolution to the Development Agreement with Boston Properties (BP). Staff will also present an Art Deaccession Policy which is recommended to take public art out of commission and appropriate for discussions regarding the Octahedron. The Galaxy Park had an official opening and the furniture is now being installed. There have been some discussions with MIT and Boston Properties for having an innovative tech-art farmer's market-like day on the plaza. With respect to 88 Ames Street, the covenant for the roof top open space with BP was finalized and that development agreement has been executed. This took a long time to accomplish because of the complicated logistics of BP's overlapping ownership underneath the garage. Due to the City putting a hold on some projects, some anticipated design and planning work was not done in 2016 so the actual professional services expenses are lower than what was budgeted. The Grand Junction was the largest expense with its major capital outlay, followed by expenses for staff and legal work on the Foundry and MXD. In 2017, Mr. Evans expects less physical investment and more planning and technical work.

A motion to authorize the Executive Director and Treasurer to open a money market savings account with Cambridge Trust to provide an interest bearing account alongside the current operational checking account carried unanimously.

11. Update: OPEB Trust *

Motion: To adopt Chapter MGL Chapter 32B, Section 20, as amended on August 4, 2016 and effective November 7, 2016, to allow the creation of a single employer OPEB Trust Account.

Motion: To approve and declare the opening of an irrevocable OPEB Trust Fund account.

Motion: To approve an update to the CRA Investment Policy Section F regarding OPEB Trust Funds.

Mr. Evans said that this topic has been discussed before as it appeared on previous audits. However, State law needed to change to allow the CRA to move forward. Effective November 7, the CRA is now authorized to create an OPEB trust account. There are three actions needed by the Board as specified in the three motions – adopt the law, approve and declare the opening of the trust and then modify the CRA investment policy to allow funds in this trust to be invested more aggressively. Per the GASB standards, a 7% rate of return is suggested. Other CRA investments are targeting a lower percentage. The trust management which is structured by state law, unless otherwise chosen, specifies the Board to be the governing body and the Treasurer of the Board to be the trustee. The account manager was selected from three choices. Two were banks that were recommended by the former consulting accountant and the other was the CRA's existing investment manager. One bank was seriously considered as they offered informative documents and technical expertise. However, staff and the Treasurers decided to use Morgan Stanley since they currently handle CRA investments and understand the CRA's full portfolio, there would be only one statement although it will have two separate accounts, the City uses Morgan Stanley for both their general investment and OPEB funds, and there is a good working relationship with the Morgan Stanley representative. Changes to the investment policy are needed to allow the OPEB funds to be invested more aggressively with a higher risk profile, allowing up to 60% of un-collateralized investments. Mr. Evans stated that the amount of investment at this time is relatively small, starting with about \$7,000 per year. Employer contributions to this account are irrevocable and assets are dedicated to providing medical benefits to retirees. As per the actuarial report, the CRA would be able to fund its entire OPEB liability in 30 years (2046) assuming the target interest rate of 7%. By annual funding and more aggressive investing, the

CRA reduces its liability to pay these benefits in the future no matter what happens to the CRA. The CRA is required to analyze the obligation but not fund it. However, this item appeared on the auditor's management letter and it is a best practice to follow the suggestion.

The motion was made to adopt Chapter MGL Chapter 32B, Section 20, as amended on August 4, 2016 and effective November 7, 2016, to allow the creation of a single employer OPEB Trust Account.

A role call was taken.
Mr. Bator – yes
Ms. Drury – yes
Ms. Born – yes
Mr. Crawford - yes
Mr. Zevin - yes
The motion carried unanimously.

The motion was made to approve and declare the opening of an irrevocable OPEB Trust Fund account.

A role call was taken.
Mr. Bator – yes
Ms. Drury – yes
Ms. Born – yes
Mr. Crawford - yes
Mr. Zevin - yes
The motion carried unanimously.

The motion was made to approve an update to the CRA Investment Policy Section F regarding OPEB Trust Funds.

A role call was taken.
Mr. Zevin - yes
Mr. Crawford - yes
Ms. Born - yes
Ms. Drury – yes
Mr. Bator – yes
The motion carried unanimously

The Board will now convene in Executive Session for the purpose of discussing the terms of the Cambridge Center Development Agreements. Conducting the discussion in open meeting may have a detrimental effect on the negotiating position of the CRA with the designated redeveloper.

As the Board has concluded all of the business set forth on the regular, the Board will not reconvene in open session thereafter.

The motion was made to adjourn the regular Board meeting and move to Executive Session..

A role call was taken.
Mr. Bator – yes
Ms. Drury – yes
Ms. Born – yes
Mr. Crawford - yes
Mr. Zevin - yes
The motion carried unanimously and the Board move to Executive Session at 8:42 p.m.