

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, November 16, 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 5:43pm.

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

Other Board members present were Vice Chair Margaret Drury, Assistant Treasurer Conrad Crawford, and Assistant Secretary Barry Zevin. Treasurer Christopher Bator was absent due to illness. CRA staff members present were Tom Evans, Ellen Shore, Carlos Peralta, Jason Zogg, and Kathryn Madden and intern Hannah Schutt. Gary Chan from CDD was present.

Public Comment

Ms. Heather Hoffman expressed her disappointed in what was being offered to the community with respect to the Foundry redevelopment. She said that several City Councillors wanted more money to be offered initially. However, the City Council has no ability to get more money and no bidders knew that more money could be possible. She said that although instrumental in saving the Foundry, former City Manager Rich Rossi is to blame for not providing adequate City funds. The offer on the table doesn't give the community what they were promised. The successful bidders are capable of coming up with something better and the community has to insist on that. She agrees that the building should not be torn down. Its history should be saved. It needs to be a resource for the community, surrounding neighborhoods, the City and beyond. She understands that procurement issues are involved but hopes that the project can move forward. The community is against the notion of yet another Kendall Square business taking up residence in a place that is supposed to be a resource for the community.

Ms. Born emphasized that public support is important to the CRA and responses to her issues will be addressed when the Foundry comes up in tonight's meeting agenda.

There were no other requests to enter a comment.

A motion to close the public comment portion of the meeting was moved and unanimously approved by the four members present.

Minutes

1. Motion: *To accept the minutes of the August Meeting of the Board on October 19, 2016*

Ms. Drury gave some clarifying edits to Ms. Shore.

A motion to accept the minutes of the Board meeting October 19, 2016 and place them on file was unanimously approved by the four members present.

Communications

2. Email from KS Foundry Development Partners to City Council dated November 3, 2016

The Board decided to incorporate any discussion on this email into the next agenda item.

Reports, Motions and Discussion Items

3. Update: Foundry Redevelopment Project

Ms. Madden thanked Ms. Hoffman for her comments. Ms. Madden said that until anything changes substantively, CRA staff is moving forward with conversations with the Foundry Development Partners (FDP). This is a difficult situation for the FDP given that there is a City Council order on file. The FDP needs to demonstrate a response to the community feedback. Both the FDP and CRA staff agree that this is only a beginning of a conversation and that there was still much work to be done. While there are some shared visions, governance of the building usage is a major issue. There needs to be more confidence in how oversight of the building will be accomplished. This is something to be addressed in the sublease. The Foundry Advisory Committee had a meeting last Monday. There was an East Cambridge Planning Team (ECPT) meeting on Wednesday to which Jesse Baerkahn of Graffito attended. The conversation is ongoing since they are now allowed to meet with community groups; something that they couldn't do before they were selected as the FDP. The City Council order is on the table but still needs to be voted. Financing cannot occur if the order doesn't get off the table.

Mr. Evans said that the FDP are amenable to slowing down the process, which is unusual from a developer. Although it was an aggressive schedule, staff had hoped to open the doors in 2018 but not meeting this date seems okay as well. In negotiations, all the CRA issues have been noted and given to the FDP. Many items still need to be negotiated. Mr. Evans stressed that the CRA is not championing the program as submitted but advocating for a process. CIC/Graffito has been willing to partake in community communications. At the ECPT meeting, Mr. Baerkahn was able to hear from the community firsthand. The shared use of space and governance are critical items to resolve with respect to the balance of residence permanence and flexibility.

Mr. Zevin stated that a better description of the program is needed. This building cannot be everything to everybody. It would be helpful to have an inventory list of what Cambridge actually needs versus wants. Many expectations are unreachable. He feels that more money would mitigate issues he has with the architecture but that this would also result in less square footage. He is not convinced that the noted large square footage amount is actually attainable. Ms. Madden stated that these issues will be discussed. Mr. Evans noted that there is a lot of non-programmed space in the proposal and reallocating elements might be possible. For example, the proposed grand staircase entrance could be an opportunity for increased space.

Mr. Crawford is pleased that the FDP and the ECPT came together for an exchange. Speaking directly reduces the chance of ideas getting lost in translation.

Ms. Born stated that shared spaces should be as valued these days as they were in the 70's, as long as they are managed and contracted properly. She is bothered that the press (not Mr. John Hawkinson) published an article on the Foundry that gave the perception that the CRA failed. She noted that this is not unusual for a procurement process. An RFP for a development project is slightly different than that for a 30B construction project in Massachusetts. It's not unusual to get no bids, one bid, or seven bids but throw them all out. Developing for a government entity is always messier and takes longer than if there were only private entities involved. The CRA is fully committed to listening to the public and completing a project that has public support.

In response to Mr. Hawkinson, Mr. Evans stated that there are notes of last week's Foundry Advisory Committee meeting but they are not public minutes. These notes are part of the real estate negotiations, which are considered, privileged for the time being. Ms. Madden added that much of the input from the

FAC was compiled and went into the 3-page public memo that went to the CRA Board. At the last meeting, Mr. Evans explained that the FAC will have public meetings in the future.

Ms. Hoffman added that there is tension within the community because there are no FAC members who are suffering from the negotiations made with Alexandria. The Foundry was a mitigation given to the community through that project. In regards to Ms. Born's comment, she said that she has no issue with shared spaces.

At this point, Ms. Born asked for a suspension of rules to allow Mr. Crawford to share some thoughts. In light of the divisive presidential election, Mr. Crawford reflected on the role of CRA in his speech which he read.

I contribute my time serving on the CRA board because it is an authentic demonstration of local control, governmental transparency, and probity. Beyond that, our statutory authority draws from the implicit strength, sustainability, and resilience of urban communities.

Redevelopment authorities were created to reverse the deteriorating condition of America's cities. The federal role in this activity has declined significantly since their creation, and today most city planning and community investment efforts are primarily local ventures. Thus the CRA through its Strategic Planning process has worked to redefine the role of a redevelopment authority in a progressive and economically healthy municipality, which is very different than the order of business under urban renewal programs from 60 years ago.

Importantly, this body's operating principles exhibit an inclusive character that values diversity and honors our country's pluralistic traditions.

Last week's election results have re-revealed that this approach to public administration has many critics, possibly due to a lack of the type of faithful public engagement we practice in Cambridge.

Cambridge faces challenges as market interest in housing and commercial development threatens the diversity of land uses and the community's sense of stability. The CRA's support of the Kendall Square innovation district symbolizes the Cambridge community's esteem for science and invention, and I am proud that the search for solutions to global issues from disease prevention to climate change mitigation are a core aspect of our City's identity.

The CRA remains focused on the value of cities as centers for collaboration, intersections of cultural diversity, catalysts for economic advancement, and models of sustainable development. I strongly believe that we must remain vigilant in our efforts to demonstrate the civic value of the CRA's approach, and serve as an influential example of the institutional merits of this style of government.

Ms. Born asked for another suspension of the rules in order to proceed to agenda item #5 out of order. The four members present unanimously approved the request.

5. Update: KSURP Infill Development Concept Plan

Mr. Mike Tilford from Boston Properties (BP) explained that the Infill Development Concept Plan (IDCP) was presented to the CRA and Planning Board for consideration on August 9, a hearing was held on September 20, and a CRA Design Review was held on October 19. He thanked Mr. Zogg for compiling and categorizing the 154 total comments that were received. Each comment was assigned a code to indicate its source as well as the chapter in the original IDCP. The Response to Comments report was submitted on November 10. The thorough document is on the CRA website. Some questions were easy to answer, others more challenging. There are some questions which have been held off until later building design reviews.

Mr. Tilford started by addressing comments regarding the massing at 145 Broadway. In response to active use space and the viability of the upper northern portion of retail, the garage elevators will be moved to the interior of the building. This provides a better experience for bicyclists in the garage and, more importantly,

an increased glass line and activation to the park. He explained how the active space along Broadway is calculated at 75% not 68%. In response to the desire for the western volume of 145 Broadway to be a gateway, he noted that although a 2nd protrusion was suggested, the consensus was that a single protrusion was preferred. He also stated that the cantilevers along the western service drive will be lessened by 10 feet and reoriented. This was option B that was discussed in the Design Review meeting.

Mr. Zevin said that he and Ms. Born liked the previous garage elevator design scheme because it was easier to see from the lobby and the street, which is safer at night. Mr. Tilford said that this design allowed for artwork, not to hide the elevators. Mr. Zevin emphasized that the City's issues with the cantilevers were red-herrings but he would defer to the architect's opinion. In response to Mr. Evans, Mr. Tilford said that less than 5,000 square feet is lost with the cantilever redesign. There are no plans for making up the square footage. Mr. Tony Markese, the architect of the building, noted that the redesign is largely dependent on how the occupant can use the interior space. There was a discussion about the dimension and the interior usage of the one protrusion scenario.

Mr. Tilford continued with BP's response to comments on 250 Binney Street, which focused on bulk, size and scale. BP has addressed the issues with the 6th street wall length, how the podium intersects with it, the relationship to Binney, and the pedestrian experience. There is still a need to preserve the large functional floor plates that a lab or office space requires. Mr. Tilford highlighted the additional floor of the podium along the walkway so that the building façade falls above the tree line. The building has also been modified on the other sides to create better pedestrian experiences. A more detailed description of these changes can be found in the text-based explanation posted on the CRA website.

In response to Ms. Born, the top of section B is usable outdoor space. Mr. Tilford stated that BP submitted a letter requesting two special permit conditions. One was mirroring Northpoint to allow some flexibility of massing size up to 5% which is less than Northpoint and the other is to allow outdoor space not to count as GFA. Mr. Evans explained that the 3rd floor was added to the podium to give the potential usable outdoor space an unshaded area given the current tree height. The added floor balanced the two facades. It also allows an increase in square footage caused by the setback on Binney. Mr. Zevin did not like the relationship of the pointy corner to the building next-door. He also thought that the setback of the E piece wasn't elegant and perhaps projecting it out would have been a better design. This building will be further developed and these issues can be addressed at that time. Mr. Tilford emphasized that this is a 200-foot story building as well as a story lower in height, which was done by tightening up the floor-to-floor volumes. This building will be a lab building or a lab-office combination.

Ms. Born would prefer to see that developers spend money on adaptable buildings which is done with larger floor to floor heights. Mr. Tilford stated that with a height of 15 to 15.5 feet, BP is making adequate provisions for lab space. Mr. Zevin suggested carving out part of the 3rd floor for a deck, which would make the side less homogenous. Mr. Crawford questioned the interaction of the cycle path and the people in the building. A stair-step wall was suggested. Ms. Born suggested keeping the options open until further development on the Volpe is known. Mr. Zogg mentioned a double-tiered outdoor deck on 350 Kendall Street.

Mr. Tilford then spoke about condo lobbies and parking bays. He explained the physical constraining conditions which forces the small lobby. Although the lobby faces a park, there isn't leeway to enlarge the lobby. A straight pedestrian pathway is impossible. BP will create a beautiful pedestrian pathway that could activate retail around 145 Broadway. Mr. Zevin said that there are other wonderful T-intersections.

Mr. Tilford moved to the topic of innovation space at 255 Main Street. A lot is unknown as the concept is being formulated. There's the possibility of an updated entrance with new branding. A third party operator might run and/or lease the space. A design review submission will come before the board before the completion of 145 Broadway. Ms. Born requested that retail be located in the area behind the louvers. She also noted that she is fond of the video display but hopes that it will have better content.

Several urban massing views from many perspectives were shown. Mr. Markese noted that the added height on the western façade of 145 Broadway adds interest to the street silhouette.

Mr. Tilford talked about using the space on the North Garage as a combination of two separate residential-only green spaces for the building tenants and a district wide solar array (PBR). This is an important part of the sustainability story. Mr. Zevin requested that there be a connecting space for the residents of both towers. Mr. Evans mentioned that this might affect codes for exiting. Ms. Born said that this is one of those instances where developers show “happy” pictures and then disappointment hits. Mr. Tilford noted that studies have shown this to be a suitable solar area. He added that this doesn’t preclude using the rooftops of the other buildings. Ms. Drury would rather have a connecting green space for the residents of the two buildings. Mr. Evans said this is truly a trade-off as the City is pushing for net-zero construction for new development. Other future potential open spaces are highlighted in the presentation as the Broad and Whitehead work through their processes.

Phase 1 of the development consists of the commercial building at 145 Broadway, enhancements to the 6th Street Connector and East-West connector to the west of the West Service Drive. The Innovation Space will be made available in 255 Main Street. Phase 2 consists of the Residential Building South, the commercial building at 250 Binney, the surrounding East-West connectors and pedestrian improvements to the service road, and Broadway Park. Phase 3 includes the north portion of the Blue Garage, the Residential North building and enhancements to Binney Park. The timings associated with these projects are best estimates.

Mr. Zevin noted that the City’s request to have shared street paving outside of 145 Broadway and the new residential tower is misguided as they are asking for pedestrians to walk in front of loading docks which is not smart. The loading dock in front of 10 Cambridge Center on the east side is not a problem. Mr. Zevin stated that the City insists on drawing a straight line where one shouldn’t be one.

Mr. Zogg doesn’t think that Kendall Square can handle another openly public park on a rooftop with limited usage. More focus should be on the existing rooftop park. In addition, residents would benefit from a dedicated shareable amenity. The Watermark was able to connect their two towers via a connected open space and it is a desirable feature. Since the solar panels would only contribute a small amount of solar energy for the buildings, he would favor the sharable green space. Ms. Drury agreed. Mr. Zevin would hate to see money and effort going towards fulfilling arbitrary guideline numbers rather than creating buildings with quality materials and architectural features such as bay windows and balconies.

Regarding the process, Mr. Evans stated that the CRA received this BP submission in draft format for tonight’s meeting, which is posted publicly. However, there will most likely be a few other modified pages added for the final submission. Comments to the documents are welcomed. The final document will be presented to the CRA Board. A date for the special permit hearing has not been scheduled yet. Mr. Evans explained that one cannot talk to the Planning Board about process until one talks to the Planning Board (PB) about the submission. Ms. Born noted that there are some non-design issues that the CRA needs to address, such as the Development Agreement, before the CRA can vote. Mr. Evans noted that both the CRA and the PB have heard each other’s comments about the plan and can move forward separately but come together again when looking at the specific design reviews of the separate buildings. There is a defined process for Phase 2 and Phase 3 but there is difficulty formulating the process for Phase 1 since it includes the plan as well as a building design review. The CRA is waiting for feedback on the Development Agreement Amendment and Exhibit C, which formalizes the design review process. Ms. Born said that executing the Development Agreement could inform thinking on the Foundry if there were requests for additional money. Mr. Evans emphasized that an infusion of more capital would require a new procurement process.

Mr. Tilford noted that there is a time issue involved since there is an interested tenant for 145 Broadway.

At this time, the meeting resumed with item #4 in the agenda.

4. Report: Park Design for Binney Street Park - Parcel 7 Kendall Square Urban Renewal Area

Mr. Evans explained that the parcel of land formally called “The Porkchop” is being renamed to Binney Street Park, not to be confused with the other parks that want to be called Binney Street Park. There has been a fair amount of process to select the designer and conceptual design review. This effort was built off

the Connect Kendall study, which also defined the program for Triangle Park and Rogers Street Park. Mr. Gary Chan from CDD spoke about the consultant Stoss' design process. The slides being shown tonight were initially shown at a June 16 public meeting. There have also been recent drop-in sessions around the neighborhood. Mr. Chan showed a map of the Porkchop as well as some current pictures of the site's condition. The utilities on site create particularly challenging scenarios. He noted that the site is primarily used for snow storage in the winter. It is the parcel directly north of the completed Grand Junction Phase 1 site. The multi-use path will be continued into this new park along the railroad's edge. Mr. Evans noted that the path's crossing on Main Street is shown to be different than what he thought was the City's plan but that might be because Stoss is unaware of the plan. Climbing features and more adventurous creative play structures are being considered for the new park.

Feedback was gathered via forms and direct conversations at community meetings. Dogs are the major users but it was decided that Rogers Street Park would be the best place for an off-leash area. The Binney Street Park would have the multiuse path as a major feature as well as creative play structures and shaded seating. CDD is coordinating with the streetscape work being done by the CRA and utility companies so some aspects of the design could change. Since the park is along street edges, the active play would be oriented interiorly. The play areas will be also be attractive to older children and teens. Most of the surface will be rubberized for safe landing. As requested by Mr. Zevin, Mr. Chan will verify whether the spongy surfaces are permeable since drainage is an issue. If the CRA is concerned about providing infiltration, paving over the park is very concerning. Mr. Zogg stated that most of the products offered are permeable.

Mr. Zevin asked for more information with respect to the glass pane or railing along the top of the climbing wall as denoted in the picture. Mr. Crawford said that many of the features and amenities were positively received from kids at a meeting that he attended. Mr. Crawford personally likes the climbing wall for his kids. Ms. Born said that the design is alluring for BMX bikers and their presence would need to be monitored. Mr. Chan also mentioned that another safety concern is how the hill meets the multiuse path. Mr. Evans doesn't think all play spaces need to be completely corralled or fenced-off like dog parks but does think that restricting some access would help a parent monitor more than one child. The openness in the new Binney Street Park with the multiuse path and streets on two sides presents a real supervisory issue. The idea of using a hedge border was mentioned for a natural containment that looks park-like.

There was a discussion of the different pathways (cycle track, multiuse path, sidewalk) along Galileo Galilei Way. Mr. Zogg mentioned the possibility of adding signage on the multiuse path stating that all modes are welcomed. The cycle track is just for bicyclists.

Mr. Chan said that CDD is in discussions with Veolia and the DPW regarding the infiltration area, which is located where the parcel begins to widen. Mr. Zogg said that the current fence on the parcel can be moved to the property line which means that the 14-foot multi-modal path will be closer to the fenced property line than it is in the Grand Junction Park. Ms. Born noted that the cross over wouldn't be a straight line which was not necessarily a bad thing. Ms. Born would like the multimodal path to look like a continuation of the current path, as much as possible, so that people feel they are on the same path. Ms. Hoffman said that removing the median and making the street narrower will slow down the trucks. Unfortunately, the median also has the most beautiful flowering crab apple trees in the City and she would hate to have them disappear. Mr. Evans said that median decisions have not been finalized and what happens along Galileo is not necessarily happening on Binney. Either way, the right of way for all vehicles will be narrower. There are divergent schools of thought on whether medians slow down or speed up traffic. The curve requires careful studying, especially near the park and the intersection.

Mr. Chan said that site lines are being considered which needs to be a balance with enclosing the park. Mr. Evans restated that a wall doesn't need to be very high and distract visually; a two-foot barrier would stop a three-year old child. As the park is intended for all ages, Ms. Born mentioned that bars and restaurants in the area could also bring nightlife and active people to the area. Mr. Chan showed pictures of the passive seating section with shade canopy. Only dogs on leash are allowed. Other pictures showed the circulation of the park. Mr. Evans questioned the proposed new connection or desire-line through the pink area because it appeared that it was uphill. It was agreed that the graphics were not high quality for understanding the proposal. Tree preservation will be investigated but noted that the ones near the utilities

might be hard to save. The cottonwood tree on the corner will remain. Mr. Chan will check if the mounds are 100% fill or an underlying structure. The park will be open from dawn to dusk. Site lighting might be available for safe passage. Ms. Born noted that “overnight guests” might become an issue if areas are hidden like the Cambridge Common. The closest public restrooms were discussed. An art installation might be considered as an added option as it’s a large budget item. Mr. Chan said that Stoss is still investigating the types of vegetation, if any, that could absorb water in the blue area depicted in the picture.

CDD is continuing work with Stoss. There will be at least one more public meeting early next year. The hope is to start construction in the spring. Although it hasn’t been decided, Mr. Chan expected that this park and Triangle Park would occur together since they have the same designer. Mr. Evans wondered if the streetscape can catch up so that one side of cycle track can be done at the same time. It would be a shame to build the park and then have another construction alongside the park a year later. Mr. Chan expects that the sidewalk to be done with the Park. Mr. Zogg said that a decision needs to be made as to whether the sidewalk stays on the inside of the tree line or moves to the outside of the tree line. The latter would give more room to work around the utilities and storm-water infiltration. The billboard is staying but since it now falls within a park, electronic signage is not allowed.

As a destination park, the Kendall Square movie theater garage and spaces on Fulkerson might be available for parking. There might be parking on portions of Binney in place of a travel lane.

Ms. Hoffman mentioned that fences can be done in an artistic way.

CRA staff will come back with more street design in a month or two.

6. Presentation: 2015 Audit and Management Letter

Motion: To accept the 2015 Audit documents

Mr. Chad Clark, from Roselli and Clark Associates, summarized the content of the 2015 audit done by his firm. Roselli & Clark have audited the CRA for the past four years. Mr. Clark said that the financial statement starts with a narrative explaining the income and expenses for the year as well as the balances. The actual financial statements are on pages 8, 9, and 10. At the end of December 2015, the CRA had about \$8.8 million in cash investments to spend of the total assets of \$10.4 million. The next biggest portion is about a million dollars of capital assets and development project parcels. A change was made this year which re-classed the Grand Junction Park from a development parcel to a fixed asset. The receivable amount is higher this year than last year due to the \$500,000 MIT grant. Mr. Clark noted that it was nice to see others investing in CRA work. The other \$90,000 in revenue came from \$9,000 in rental income, \$37,000 in other income, and the remainder in investment income. The investment income was a significant increase from last year. The bottom of page 9 shows a negative \$600,000 in overall net position. This is an expected scenario for the CRA since revenue is received in “chunks,” which are used for operating expenses in subsequent years. The administrative costs are stabilized. The increased costs were related to project activity which should be the goal. The year 2015 is more stable than 2014. Most of the operating expenses shown on page 9 were consulting costs for the various projects which are broken out on page 26. The financials on page 9 are accrual basis reporting, whereas page 26 is cash basis reporting. Responding to Ms. Born, Mr. Clark explained that the CRA overhead is the operating expenses. The other expenses are dependent on the work that the CRA undertakes. To help lessen legal expenses, Mr. Evans said that staff is trying to do more initial writing and then requesting legal review. Mr. Clark suggested the possibility of controlling contracting expenses by adding specific skill sets with staff. Mr. Crawford agreed but noted that the current legal counsel has invaluable institutional expertise. Mr. Clark added that an RFP could be used to investigate the cost of any service such as accountants, lawyers, engineers, auditors and to keep costs competitive.

The CRA Board and staff were all pleased to see that the management letter is getting smaller and smaller each year. Mr. Clark admitted that this audit was done too late even though the fieldwork was done in May. The lateness is due to the dependency on the audit of the 2015 Cambridge Retirement System, which is still not completed. Rather than continuing to hold up the 2015 CRA audit, the auditors decided that the

numbers from the completed 2014 audit of the Cambridge Retirement System could be used. Likewise, the 2016 CRA audit will use numbers from the 2015 audit of the Cambridge Retirement System. Purchase orders are not being implemented to date. They are not mandatory and since costs are being well managed at the department level, they don't seem to be needed. The issue could be dropped from next year's management letter. Mr. Clark noted that the CRA should continue to look for a new part-time accounting consultant as a resource. There was a discussion of the requirements for that position. The management letter suggested that the Executive Director attend classes to become a certified procurement officer. However, Mr. Evans noted that finding the time to attend these multi-day classes is difficult to arrange. Mr. Clark suggested added staff or the soon-to-be accounting consultant could assume this role. Mr. Evans said that the CRA uses its legal counsel extensively to review its procurement processes for various new contracting activities from park construction to developer selection.

In regards to the accounting function, Mr. Clark noted that major issues in the past have been addressed and the process is now being tweaked. Since Quickbooks does not provide fund accounting bookkeeping, another method needs to be tailored. Mr. Clark also asked that the source documents for some of the entries be organized in a more efficient method. The accrued sick and vacation numbers were posted in Quickbooks for the first time but the payroll system needs to implement the caps stated in the personnel policy. The last page states the findings from last year that have been closed – secure location, separation of employee records, and the development assets held for sale.

Mr. Clark touched on the OPEB issue. Last year there was a discussion for the Board to vote on the trust fund. However a massive loophole in Mass General Law was found. This just got fixed in November 15 allowing authorities to vote on the issue, establish a fund and segregate funds towards this trust. Since some research was required, Mr. Evans stated that the issue will come to the Board in December. In addition to opening a new OPEB account, Ms. Shore said that the investment risk strategy needs to be discussed in order to gain the 7% interest rate stated in the actuarial report. Mr. Clark said that 7% is a conservative average of the next 20-30 years. Another decision for the Board will be whether to use the same investment manager (Morgan Stanley) to manage all CRA investments or diversify and use a different one. Mr. Clark said that using the same person might be more cost effective because diversifying doesn't necessarily help with rate of return outcome.

The motion to accept the 2015 audit and management letter and place them on file was unanimously approved by the four Board members present.

Mr. Evans noted that the 2014 CRA audit was also delayed and payment for that audit, as well as this 2015 audit, both fall within the 2016 fiscal year. He requested a 2016 budget modification of \$10,000 to pay for two audits.

The motion to amend the accounting line item in the 2016 budget by an increase of \$10,000 to account for two payments to the auditor was made and a roll call was taken.

Mr. Zevin - yes
Mr. Crawford - yes
Ms. Born - yes
Ms. Drury - yes
Mr. Bator – absent

The motion passed.

7. Report: Proposed 2017 Forward Fund Program

Mr. Peralta proposed an increase in grant size as well as overall budget increase from last year's fund. The 2017 budget would increase from \$80,000 to \$125,000 with each grant going from \$5,000 up to \$25,000. Requests for less than \$25,000 are acceptable. He proposed using a theme, "Connections to Cambridge." The Planning and Design grant will be eliminated as it was not popular last year. There will be two grant types – a Civic Experimentation grant and a Community Infrastructure grant. After conferring with CRA's legal counsel, it is determined that the Forward Fund does not seek services for CRA work so state

procurement laws would not apply and grants can exceed \$10,000. The evaluation and approval process will remain the same as previous years. CRA Board Treasurer, Mr. Bator had requested a fund increase in past Board meetings. Mr. Peralta expects more grants requests with the increase in individual grant amounts. The Board was pleased that the program has grown. Mr. Evans said that some projects are spanning years to complete so it is an administrative challenge to award grant money within the year that the funds are budgeted. He added that bigger projects will most likely take even longer so a procedure is needed to track the carry-over of forward fund monies but at the same time, grants monies should not be waiting for years and years until a project is finished. Mr. Zogg added that the marketing and advertising strategy should improve this year with an additional staff member. Another improvement to this 3rd round of the Forward Fund will be to announcement this round sooner than was done in the previous two years. Mr. Zevin asked for a portfolio of past Forward Fund projects. There was agreement that although there is some overlap with the City's Participatory Budgeting Process and the CRA's Forward Fund, some non-qualifying projects of the former have applied for a Forward Fund grant. There was a discussion to allow a project a year to complete starting with the grant approval date rather than be completed in the calendar year.

A motion to authorize the Executive Director to set the budgeted amount for the 2017 Forward Fund Program to \$125,000 was made and seconded. A roll call was taken.

Mr. Zevin - yes
Mr. Crawford - yes
Ms. Born - yes
Ms. Drury - yes
Mr. Bator – absent

The motion passed.

8. Monthly Staff Report and Financial Update

Mr. Evans noted that the staff report is merged with the monthly budget report. The quarterly financial report will be separated into two agenda items. He highlighted that the CRA has a snow removal contract with Cambridge Snow Management. In exchange for a twenty-five (25%) discount in pricing, they will be allowed to store snow equipment used for clearing CRA property on the Porkchop. In past years, Boston Properties and DPW have used the area for snow storage. The CRA will be responsible for plowing the Foundry.

As the CRA has grown in staff, there has been an increase in the complexity of remote access, backup, multiple syncing, and simultaneous file access. Our current IT contractor recommended a switch to another firm, Tectonic. A firewall system will be installed since Macs are not as secure as they once were. The CRA has been using Dropbox and Time Capsule as its file backup system. There was a discussion of possible setups.

In December or January, a discussion of the streetscape will come to the Board. The Personnel Policy or the OPEB will be discussed. Some of the issues mentioned by Mr. Clark regarding the accounting of leave accrual will be addressed either through Harpers Payroll system or in the Policy itself. The 2017 Budget will also be an item for December's agenda. It is possible that Boston Properties could discuss their final submission for the Infill Development Concept Plan and the parallel development agreement decision. A decision on how to synchronize the design review of 145 Broadway needs to be coordinated.

The City had a "homeless" Hubway Station, which the CRA took to replace the bike corral at Parcel 6, free of charge. This station is used a lot. There is still an occasional food truck that appears on site but the season is basically over. An RFP for 2017 will be brought to the Board after the new year with a more diverse program than one entrée truck. There might also be a partnership with community and or school groups for more diverse programming. Staff did not receive any complaints from the local restaurants regarding the past food truck program. The Soofa bulletin board is up and running and the display oscillates between meeting announcements and general promotional information. Updating the screen with bus information is being developed but there are unresolved display issues since the busses don't run after 6pm and on the weekends. There was some confusion regarding the hours of operation of the Soofa sign

with respect to available light in the evening. Galaxy Park is progressing. The decorative concrete was poured and the installation of the granite started today. The goal was to open the park by Thanksgiving but that might not occur. Once it opens for pedestrian travel, the decorative bench furniture and landscaping would be installed. Three of the fly-cycle bike racks, funded by the Forward Fund, would be located in the Park. Boston Properties is planning an opening event. The streetscape project was covered by Mr. Chan. There have been interesting interdepartmental coordination sessions with CDD about designing streetscapes. Mr. Evans stated that the CRA applied for an NEA federal grant to subsidize work to recreate the outer celestial globes in Galaxy Park with stainless steel, like the main globe, rather than galvanized steel. The application was submitted in the summer and the response should occur in the spring. The grant requires a 50% match so there will be a \$100,000 line item in the 2017 budget to match the \$100,000 grant, if received. In response to Ms. Drury, Mr. Zogg said that the light bulb issue with the globes has not been resolved with BP as yet. The LED light that BP currently uses doesn't create the intended visual pattern on the pavement. However, vibration from the T could damage the delicate filaments of standard bulbs.

Overall, the budget is on track. The CRA has not engaged all of the professional services (line items in the 7000's) since some projects didn't advance as much as expected for various reasons. These projects will carry over to 2017. The challenging aspect of budgeting is the unknown calculations used by the Group Insurance Commission and the Cambridge Retirement System in determining the CRA assessments and the delay in giving the final numbers to the CRA. The Grand Junction project is completed. Staff and legal work continues with the Foundry and MXD work. The income and expenses are quite close this year due to the Ames Street payment, but as Mr. Clark described, a balanced budget is not typical for the CRA as some years have a much larger revenue stream than others.

9. Discussion: 2017 CRA Board Calendar

The Board meeting dates for 2017 were selected to fall on the third Wednesday of each month except when a U.S. holiday, major religion holiday, or a school vacation week interferes, such as April 2017 and September 2017. The meeting in February should be February 15, not February 8.

Ms. Born will not be able to attend on May 17 and August 16. These dates can be changed if necessary.

Adjournment

The motion to adjourn the regular Board meeting at 9:50 p.m. was seconded and unanimously approved.