

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, October 19, 2016, 5:30pm
Robert Healy Public Safety Center / Cambridge Police Station / Community Room
125 Sixth Street, Cambridge, MA

FINAL Approved Regular Board Meeting Minutes

Call

CRA Chair Kathleen Born called the meeting at 5:48pm.

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, Jason Zogg, Kathryn Madden and CRA consultants Chuck Redmon and Larry Bluestone.

The CRA Office Manager and a member of the public recorded the meeting.

Minutes

1. Motion: *To accept the minutes of the August Meeting of the Board on August 24, 2016*

Mr. Zevin sent corrections to Ms. Shore which will be incorporated.

A motion to accept the minutes of the August meeting of the Board on August 24, 2016 and place them on file was unanimously approved.

2. Motion: *To accept the minutes of the combined Meeting of the CRA Board and Planning Board on September 20, 2016*

There were no comments on the minutes.

A motion to accept the minutes of the combined meeting of the CRA Board and Planning Board on September 20, 2016 was unanimously approved.

Mr. Evans noted that these minutes are not a full transcription of the joint meeting but rather the discussions that pertained to the work of the CRA.

Public Comment

There were no requests to enter a comment.

Communications

There were no communications.

Reports, Motions and Discussion Items

3. Update: Foundry Demonstration Project Plan

Mr. Evans stated that City Manager Rich Rossi signed a letter approving the CRA Board to designate CIC as the tentative Foundry development partner and move into negotiations with them. That decision became an item at a City Council meeting, which then led to a Neighborhood and Long Term Planning/Public Facilities/Arts and Celebrations Committee hearing on October 6. Much of the public testimony concentrated on a perceived insufficient amount of public space, that it should not be shared and that the public should monitor the space usage. City Council members at this meeting noted that more funding from the City might be needed in order to enhance the “public-ness” to meet the community vision of the building. At this point in time, there is no formal decision from the City on increased funding. The CRA continues to discuss these issues with CIC, as well as other issues outlined in the memo from the Foundry Evaluation Committee that was reviewed in the CRA Board meeting in August. It was made clear that an additional cash outlay would trigger a new procurement process.

In response to Mr. Bator, Mr. Evans stated that there was a discussion among the Councilors who were present at the meeting for additional money from the City. This might take the form of an order, but nothing has been filed as of yet. Mr. Evans added that the question of more City funding does not include the CRA. The CRA did a procurement process based on a set of rules. The CRA is focused on the governance of the shared use of space to ensure that the requirement stated in the RFP can be accomplished with the proposed dynamic concept.

Ms. Born clarified that the Council would need to request that the City Manager allocate money. Mr. John Hawkinson stated that, at this time in the political climate, the City Council has unique leverage. Ms. Heather Hoffman expects that the committee report will most likely be accompanied by a policy order that strongly suggests that the City Manager study the provision for more money. The Council’s next regular meeting is October 31. Mr. Evans said staff will be discussing the notion of shared use of space with the East Cambridge Planning Team in November.

4. Update: MXD Infill Development Concept Plan Review

Mr. Evans explained that there was a joint meeting with the Planning Board. The feedback from that meeting and from staff review was tabulated by Mr. Zogg and sent to Boston Properties for their response. Discussions are also occurring with CDD on how to move forward with the MXD Infill Development Concept Plan (IDCP) review process, the following design reviews for the individual buildings, and incorporating the City into the design review subcommittee meetings of the CRA. Mr. Evans stated that there are two matrices being developed. One is for the process for future design reviews, which will become an element of the development agreement. The other is for the current status since a concept plan and schematic design is being looked at concurrently.

At this point, a motion was made, and unanimously approved, to amend the order of business to allow for public testimony so that Ms. Folakemi Alalade, a Foundry Advisory Committee (FAC) member, could comment on the Foundry hearing on October 6 that was discussed in agenda item #3.

Ms. Alalade said that after attending the hearing, she felt that the extensive work done by the FAC was disregarded. No one from the FAC group was thanked or acknowledged for their time. She would like to think that the City put thought into selecting residents for the FAC and was disturbed to hear comments stating that there was no diversity. She feels the entire group deserves an apology.

Ms. Madden reaffirmed that the process continues and stated that the FAC should come together, although the state of affairs is uncertain. Ms. Drury agreed that it is disappointing to hear City Council members being disrespectful to volunteer residents. Ms. Born reassured Ms. Alalade that this is a process. Each member of the CRA Board stated that the FAC members are valued and grateful for their continued participation. Mr. Evans explained that during the procurement process, the FAC had a privilege setup to go through the financials which were not yet part of the public record. The intent is for the FAC to be the governing group of the building and therefore it will become a more public body.

Discussion then returned to the MXD Infill Development Concept Plan (IDCP) agenda item. Mr. Zogg explained a 3-column workflow matrix for the IDCP approval process that is still being drafted with CDD. The columns were labeled Initial Approval, Additional Review and IDCP Modifications.

Mr. Zogg noted that a majority of the steps in the first column have been completed. CRA and CDD staffs have coordinated the content, organization and format with Boston Properties (BP). There have been pre-submittal informational CRA Board presentations. There was a pre-submittal informational Planning Board (PB) presentation, not considered a hearing, many months ago. There have also been joint CRA/City interdepartmental staff meetings (with CDD, TPT, DPW, etc.) as needed to discuss and review draft materials and/or Board feedback. BP formally submitted its IDCP for consideration. Both CRA and CDD staff did reviews and wrote memos which were submitted prior to the joint CRA Board / PB hearing. BP choose the option to have simultaneous reviews of the IDCP plus an individual building project of 145 Broadway. Theoretically if approved at that first meeting, CDD would write a Special Permit and the CRA would write an approval of KSURP conformity document. Since the joint CRA/PB hearing did not come to an approval, an additional process is required which brings the discussion to the top of the second column of the matrix. The CRA & CDD staffs have coordinated with BP to refine the IDCP and address Board comments for agreement on content, organization and format for the IDCP. Once BP submits an IDCP addendum which has not be done yet, additional hearings(s) would occur for consideration for approval. PB and CRA approvals could happen separately but these are expected to be reasonably close in time. Alternatively, staff may choose to coordinate another joint hearing for final approval actions. Then CDD would write a Special Permit and the CRA would write an approval of KSURP conformity document. BP would submit its final IDCP document in a format agreed upon by all parties for the official record after the approvals are finalized.

The last column describes the process when an applicant wants to modify the IDCP in the future. The applicant would submit a request to modify the IDCP. CRA and CDD staffs would jointly make a written determination on whether the proposed changes would constitute a major or a minor modification. The CRA/CDD would coordinate with the applicant to agree on content, organization and format for IDCP modification documentation. The applicant would submit the modification documentation. There would be a joint CRA and CDD review of the modification, followed by a joint CRA Board / Planning Board hearing for final approval actions on the modifications. If a minor modification is sought, as part of a Building Design Review, it may be reviewed as part of the Design Review Process.

This proposes a different process than PUD regulation in that staff would be allowed to decide if the modification is major or minor.

Ms. Born asked about the scenario where the Boards have different conclusions. Mr. Evans thinks that if the Boards meet together an acceptable joint decision could be made. Mr. Evans stated that more work needs to be done defining the process. Ms. Drury suggested looking at the situations that might not go as smoothly as the matrix depicts.

Mr. Zogg then explained the second workflow diagram describing the Design Review approval process. Four columns were labeled Pre-Submittal, Schematic Design Phase, Design Development Phase and Construction Documents/Building Permit Phase. Mr. Evans noted that CDD has not seen this particular version but they have been working on the diagram together. Mr. Zogg explained that this process is for future buildings since the process for 145 Broadway is happening concurrently with the IDCP approval process.

In the Pre-Submittal process, there would be a joint CRA/CDD staff coordination with the applicant to agree on content, organization and format. This has occurred with BP on the 145 Broadway building. Then a joint CRA Design Review Sub-Committee presentation(s) would occur with 2 CRA Board members and 2 Planning Board members present, CDD and CRA staff, the Developer and the Architect. This is an advisory meeting only so no vote would be taken and no recommendation would be made. This would be followed by joint meetings with CRA/CDD staff (TPT, DPW, E&T, etc.) and the applicant as needed to discuss/review the draft materials and the Boards' initial reactions.

Moving into the schematic design phase, the applicant would formally submit a building Design Review Document for consideration. There would be a joint CRA/CDD staff review followed by a joint CRA Board / Planning Board hearing. There is an optional simultaneous review of IDCP and Building Design Review which is what is happening now with 145 Broadway. If approved, the process moves to the Design Document Review process. Otherwise, CRA/CDD staff would coordinate with the applicant and architects to discuss/review priority issues, with individual meetings with TPT, DPW, E&T, etc. occurring as needed. The applicant would then submit the addendum to the building design review document.

Mr. Zogg said that the building design reviews don't get special permits. A special permit is only for the IDCP. The PB approves the building schematic design. Mr. Hawkinson said that actually City staff issues a certification of substantial compliance with the previously submitted special permit as an approval document. Ms. Drury suggested adding the names of the permits and/or documents to the charts so that expectations are clear. The CRA will need to vote on the individual 145 Broadway project. In a granted special permit for the IDCP, specifications for the process will be stated. Mr. Redmon suggested defining the terms used such as schematic design, design development, and construction documents so there is no confusion. Ms. Drury noted that the zoning ordinance includes a list of findings that the Planning Board needs to make for the IDCP special permit. This needs to be done as soon as possible so that the CRA can do its design review and the 145 Broadway building can be built for the known leasee. Mr. Bluestone suggested adding timeframes to the process.

Mr. Evans added that the Pre-Submittal column involves staff and design review committees, which he feels should have CRA and PB members. The SD Phase involves staff supporting a decision by the CRA Board and the Planning Board. The DD Phase is a review of both staffs with respect to what was approved at the Board level. The CD and DD terms are in the CRA development agreement documents and those will be defined in those agreements. The CRA has proposed a timeline for the approval, which is the most controversial issue for CDD or PB. Although developers want a predictable timeline, the City has other priorities and hasn't agreed to this as of yet. This entire page is relevant after the special permit.

Mr. Evans explained that another meeting is planned with CDD. It will become part of the development agreement so it will be spelled out in Exhibit C.

5. Presentation: Kendall Square Transit Enhancement Program Memorandum of Understanding

Motion: To approve the Memorandum of Understanding regarding the Kendall Square Transit Enhancement Program, Kendall Square Urban Renewal Plan

Mr. Evans stated that the KSTEP is an outgrowth of the MEPA process. Rather than having a series of mitigations to roadways, the CRA would put money and investment into transit. A fund would be created with a governing structure through the CRA Board, with approval of the City Manager, to allocate funds to the MBTA or other transit providers as mitigation for the growth in the area. The goal is to maintain the current modes but the concern is that the transit systems cannot hold onto that. The CRA can't fix the problem but it can provide attention to it. Smaller short-term contributions to the transit system can be made, specifically to the rolling stock or other modifications to the bus system. This came out publicly in June as part of the NPC. The CRA received positive comments from the State (MEPA and DOT) that this was a strong mitigation. The Green line emergency derailed this process. This is not one-project specific. The fund being established could grow if other sources are found. The urban renewal boundary includes the Volpe area, which could be a major contributor. This text has been reviewed by the State and approved by City. The CRA Board has seen this document before but legal counsel advised a CRA Board formal approval before going to the state for its formal approval. This is an innovative, leadership initiative undertaken by the CRA.

A motion to approve the Memorandum of Understanding regarding the Kendall Square Transit Enhancement Program, Kendall Square Urban Renewal Plan was made.

A role call was taken.

Mr. Bator - yes

Ms. Drury - yes
Ms. Born - yes
Mr. Zevin - yes
Mr. Crawford - yes

The motion was unanimously approved.

6. Presentation: CRA “Bring Your Own Device” Mobile Phone Reimbursement Policy

Motion: To approve the “Bring Your Own Device” Mobile Phone Reimbursement Policy and integrate this policy into the CRA Personnel Policy

Ms. Shore explained that the current CRA personnel policy was written in 2013, and adopted by the Board on January, 14, 2014. As more employees have been hired and the policy has been referred to for various situations, it is apparent that it needs to be updated. Staff has been working with a volunteer Human Resources consultant for some time but because of the bandwidth of all involved, a complete draft of an amended policy is not yet ready to bring to the Board. At this time, staff would like to propose the addition of a bring your own cell phone policy. To facilitate the smooth operation of the organization, it is essential that CRA employees be reachable during the workday. With the majority of employees spending time at offsite meetings, a cell phone is a required means of communication.

This 3-tiered reimbursement policy is based on the level of accessibility required. The monthly reimbursements would be paid out on a quarterly basis – eighty dollars (\$80) per month for the Executive Director who is expected to respond at any time for CRA business, forty dollars (\$40) per month for project/program managers who need to be accessible during work hours and potential late night meetings, and twenty dollars (\$20) per month for the Office Manager who uses a cell phone primarily to text employees and other CRA contacts when phone calls are inappropriate.

There was a discussion of whether \$20 was adequate for the Office Manager. In response to Mr. Zevin, the CRA has no government owned phones. However, Mr. Evans noted that at one time in the previous administration, all employees and board members were given company cell phones, an issue that was addressed by special counsel. Mr. Bator suggested that if the usage of one’s phone tends to increase, this policy may be amended. Mr. Evans noted that other companies use the 100%, 50%, 25% reimbursement categories. The \$80 is the average cost of a basic single plan.

Mr. Evans said that it is the intention to come to the board with a full policy update.

The motion to approve the “Bring Your Own Device” Mobile Phone Reimbursement Policy and integrate this policy into the CRA Personnel Policy was unanimously approved.

7. Report: Monthly Staff Report to the Board

In light of a scheduled executive session to start at 7:30, Mr. Evans stated that he would be brief but welcomed any questions.

The 2015 CRA audit is nearly complete. It was delayed waiting for the 2015 Cambridge Retirement System audit. CRA auditors Roselli & Clark are hoping to be available for a presentation at the November Board meeting. The Municipal Modernization Bill passed this summer and now officially gives authorities the legal ability to open an OPEB account.

The CRA has entered into a contract with Alta on the Binney Street streetscape project and have been working with them and the City. The plan is to come to the Board with three concepts for discussion. With the Board’s approval in August, the CRA has also entered into a cost estimator contract with Daedalus Projects Inc. They have begun to provide preliminary construction cost estimation services on a number of small projects for the CRA. They also did some peer review on the Foundry proposal. The Grand Junction Park is complete. The landscape maintenance agreement with Brightview was finalized in July and work to

date has gone smoothly thus far. CRA staff and Brightview have been focusing extra time on litter removal and will monitor the situation. In response to Ms. Born, Mr. Evans stated that the extreme hot and dry summer took its toll on the park with a few tree and bushes dying but everything looks very green now.

Mr. Evans listed the items to be brought to the board in the future – several designs for the Binney/Galileo Way/Broadway streetscape, revisions to the personnel policy, CDD presentation on the Binney Street Park design, a proposed 2017 budget, Round 3 of the Forward Fund, and the 2015 financial audit. There will also be a plan for the ongoing review with the Planning Board to consider the Infill Development Concept Plan and the schematic design of the first phase of development at 145 Broadway.

Trying to keep the Parcel 6 lot activated is an ongoing process. During the month of August, the CRA partnered with the Public Youth Art Council (PAYC) to build an artistic shade structure which was on exhibit for three weeks. Staff continues to work along with Lillian Hsu from the Cambridge Arts Commission to bring other forms of art exhibits to the site. Staff is working to replace the bike corral with a Hubway Station. The food truck pilot has been an interesting project as the presence was irregular and many trucks stopped coming in August. The seasonal contracts ended in mid-October. A late start-up (July), only one entrée truck with a non-varying menu, and a shade-less lot contributed to a low participation. Fall replacements from the pool of original applicants are being investigated. Program changes will be proposed for the 2017 season so site activity continues to grow. Mr. Peralta said that the restaurant owners had not commented on the program throughout the season. CRA staff and Boston Properties (BP) are working to resolve two remaining design issues on the construction documents of the 88 Ames Street residential project. The development agreement will not be executed until the Open Space covenant is received from BP. The Soofa sign is constructed and ready to be installed. It is orange to match the big KSq letters on the plaza. Parameters were added to the agreement to address the location and content of the sign if and when the sidewalk is transferred to the City. Mattuchio Construction, the same contractors who worked on the Grand Junction, is currently reconstructing the paved area of Galaxy Park. There was a discussion regarding the present pedestrian and bike use while this park is closed. The CRA's Wayfinding sign was installed on the Sixth Street walkway but there is an issue with the granite foundation that is being addressed.

Mr. Bator would like to see if the 2017 Forward Fund pool of money can be increased significantly. Mr. Evans would like to explore with counsel if offering more than \$10,000 in a competition process creates a procurement issue.

8. Report: Quarterly Financial Update

Ms. Shore said that the Q3 budget vs. actual table incorporates the mid-year budget amendments that were approved at the July 2016 Board meeting. The actual income is higher than expected and that number will increase as the interest income for October, November and December from our investments with Morgan Stanley are posted. Although this is a third quarter report, some of the expense accounts are close to their budget amounts. This is due to full payments upfront rather than monthly installments for items such as insurance, the 2016 pension payments, and the secondary storage rental facility.

The last page shows the balance of bank accounts and investment accounts as of September 30. In accordance with the Board's approved process to consolidate CRA funds, this report shows that all but two CDs have been closed with their funds being moved to the Morgan Stanley investment account or to the operating bank account or payroll bank account as needed. The Brookline Bank CD was closed this October, after the date of this report. The last CD held in East Cambridge Savings has almost \$2 million dollars in it. This matures in October 2017. The assumption is that this money would be rolled into an account for the Foundry.

Staff will be working on a 2017 proposed budget with the CRA Treasurer and Co-Treasurer for the December Board meeting.

CRA consulting accountant, Richard Viscay, resigned for personal reasons. A search for a replacement is underway for an accountant experienced in government financing and QuickBooks.

Other Business

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. Since the Board has concluded all the business set forth on the regular agenda, it will not reconvene in open session thereafter.

A roll call was taken to move to Executive Session.

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

The motion was unanimously approved at 7:31 PM.

Adjournment

The regular Board meeting was adjourned at 7:31 PM.