

Regular Meeting  
Cambridge Redevelopment Authority

Wednesday, April 13, 2016, 5:30pm  
Robert Healy Public Safety Center / Cambridge Police Station  
125 Sixth Street  
Community Room

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## FINAL - REGULAR MEETING MINUTES

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### Call

CRA Chair Kathleen Born called the regular meeting to order at 5:36 p.m. Other Board members present were Vice Chair Margaret Drury, Treasurer Christopher Bator, Assistant Treasurer Conrad Crawford, and Assistant Secretary Barry Zevin. Ms. Born also introduced CRA staff members – Executive Director Tom Evans, Office Manager Ellen Shore, and Project Manager Jason Zogg.

The meeting is being recorded by the CRA Office Manager and another attendee.

### Public Comment

Ms. Heather Hoffman said that she is pleased with the list of Forward Fund grantee projects. She stated that she disliked any of the colors proposed for the Kendall logo for the Marriott signage. She encouraged everyone to attend the Cambridge Science Festival.

Mr. Stephen Kaiser flagged two issues. He stated that there are controversies within Cambridge with respect to modern architecture and requested that the CRA facilitate a discussion with a panel and the public. He also asked the CRA to take the initiative to work with MIT, Volpe, and an innovative company to brainstorm solutions to the MBTA operational problems.

Mr. Evans stated that, although it's not posted yet, an urban design subcommittee meeting is being scheduled for Wednesday, April 27, at 4pm, to look at the initial massing concepts for the expansion of Kendall Center.

No other people asked to comment.

A motion to close the public comment portion of the meeting was moved, seconded and unanimously approved.

### Minutes

#### **1. Motion: *To accept the minutes of the Regular Meeting of the Board on March 16, 2016***

There were no edits or comments.

The motion to accept the minutes and place them on file was moved, seconded and unanimously approved.

## **Communications**

### **2. Correspondence from Roselli, Clark & Associates regarding OPEB Trust Funds**

Mr. Evans stated that as staff was working towards a motion to enter into an OPEB Trust Fund under MGL Chapter 32B s.20, as stated in the auditor's management letter, Ms. Drury recognized that authorities were not specifically mentioned in the law. CRA accounting consultant and legal counsel confirmed this. As mentioned in the memo from Chad Clark, the non-inclusion of authorities in the law was a State administrative oversight, which is expected to be cleared up by the end of the summer. Mr. Evans stated that staff would wait until legislation is passed. While other authorities have set up such a fund, it is not allowed. OPEB stands for "other post-employment benefits" and refers to the benefits, other than pensions, that a state or local government employee receives as part of his or her package of retirement benefits. The CRA has a dozen of these ex-employees.

The memo will be placed on file.

### **3. Correspondence with City Manager regarding Reappointment of Conrad Crawford to the CRA Board**

Mr. Evans sent this letter to the City Manager in February. The City Manager has sent a letter of recommendation to City Council. It is being referred to the Government Operations committee. This puts Mr. Crawford in a holdover situation until they meet, which might occur in a few weeks.

The memo will be placed on file.

## **Reports, Motions and Discussion Items**

### **4. Report: Forward Fund Selection Committee Recommendations**

*Motion: To authorize staff to enter into grant agreements with the organizations recommended by the Forward Fund Selection Committee*

Mr. Zogg explained that the CRA is now in the second year of the Forward Fund (FF). The Selection committee read through all the proposals and then met for half a day. The Board packet contains the recommended list of grantees and a description of each of the projects. Four are capital grants, totaling \$38,000 - Magazine Beach Public Boat Dock (Cambridgeport Neighborhood Association), East End House Kitchen Renovation (East End House), MBTA Single Stream Recycling Kiosks (MassRecycle), High Density Bike Parking (Kendall Square EcoDistrict). Four are planning and design grants, totaling \$20,000 - Cambridge Community Center Building Modernization (Cambridge Community Center), HomePort Gateway Kiosk (Community Art Center), Russell Pathway Jerry's Pond Public Info Kiosk (Jerry's Point Action Committee), Community Sign Engagement (The Port Café.) All but one of the recommended grantees (the Cambridge Community Center) were present at the meeting and explained their project to the Board.

The motion to authorize staff to enter into grant agreements with the organizations recommended by the Forward Fund Selection Committee was seconded and unanimously approved.

Mr. Zogg will arrange to get the contracts signed.

## **5. Report: Marriott Signage Program**

*Motion: To approve the window and banner signage program for the Marriott Hotel Building – 50 Broadway, Kendall Square Urban Renewal Area*

Mr. Michael O’Hearn from Boston Properties (BP) referred to the presentation showing a picture of the current banners and flags that are on Broadway near the Marriott valet stand. These need to change to relate to the rebranding of Cambridge Center to Kendall Center. The packet also included a picture of the proposed banners and flags. Marriott General Manager Mr. Alan Smith added that the seven horizontal banners, each within a glass enclosure, will alternate starting with the Marriott banner resulting in four Marriott banners and three Kendall Square banners. The five hanging flags will also alternate, resulting in three Marriott flags and two Kendall Square flags.

Mr. O’Hearn also spoke of the new signage on the plaza side of the Marriott. Above the doorway, the words “Walkway to Broadway” will indicate the right-of-way to Broadway and the new Kendall symbol will be added. BP favors the grey color.

The Board welcomed the Walkway to Broadway signage. A discussion occurred regarding the color options. Mr. Zevin would opt for grey but wondered why an orange color to match the big KSq on the plaza wasn’t a choice in the presentation. Ms. Drury didn’t care what color was chosen but stated that the color should be consistent with the coming wayfinding kiosks. Mr. Evans stated that the kiosk color hasn’t been finalized. The Board decided, without objection, to let staff decide the color.

Mr. Zevin asked BP to provide more signage indicating the accessible path for the Marriott’s Broadway entrance since the location of the second automatic door is not obvious.

The motion to approve the window and banner signage program for the Marriott Hotel Building on 50 Broadway, Kendall Square Urban Renewal Area, was seconded and unanimously approved.

## **6. Update: Kendall Center Public Space Programming**

Ms. Jaclyn Goldstein of Boston Properties (BP) spoke about the programming on its public spaces. Working with other organizations, the Kendall Plaza will have Berkeley concerts, a Community Arts Center teen event, a Farmer’s Market, HubWeek, and Multicultural Arts Center concerts. On the rooftop, there will be free fitness classes, food education clinics, and teen activities. Some new programs to Kendall will bring public art to the plaza.

With regards to branding and place-making, Ms. Goldstein emphasized the popularity of the recently installed orange KSq sculpture and noted the coming Walkway to Broadway directional signage. BP is promoting these activities with various communication methods such as social media, a new Kendall Center website, windmasters around the KC complex, the programming banner on Kendall Plaza, and communication channels through the Kendall Square Association.

Mr. Evans noted that the enhanced programming on the roof top garden is an element of the Ames Street letter agreement. A similar operational agreement regarding programming on the plaza also exists with BP.

## **7. Report: 88 Ames Street Construction Design Review**

Mr. Evans explained that Mr. Chuck Redmon's memo relates to his review of the documents. Mr. Zevin has also reviewed the documents. The next step is a staff signoff on the construction documents, which will be done with some conditions. The main issue from a public review perspective is the two-way cycle track design. The City's desire for left and right turn lanes creates a tighter spot than the original one lane design. In response to Ms. Born, Mr. Evans said that the CRA ceded jurisdiction to the City. Although not finalized, he believes that the plan is to take that design to the river assuming MIT incorporates the design. With the future Kendall Center expansion on the north parcel, a segregated bike path on the 6<sup>th</sup> Street connector would carry the design from Binney to the river. Mr. Evans noted that the Soofa benches haven't been turned on to collect traffic data for bike usage on the connector. Mr. Zevin noted that the working drawings show an alignment to the existing 6<sup>th</sup> Street connector so curb and street painting will need to be redone when the new 6<sup>th</sup> Street cycle track is completed.

Mr. Zevin also shares Mr. Redmon's concerns regarding the conflict of the drop-off area and the bike path. Mr. Evans explained that because the City doesn't have a drop-off sign designation, a loading zone request will need to be submitted for approval. The City will be looking into the curb-space user issues (i.e., Uber, FedEx deliveries, etc.) in high density residential areas. In response to Ms. Born, Mr. Evans noted that the area of pedestrian crossing would be marked as such. There was a discussion of other ideas. Mr. Evans said that VHB, the CRA, BP, and the City will need to make a decision and he hopes to come back to the Board with the streetscape design.

Ms. Born mentioned the ground breaking event at 88 Ames Street on Thursday, April 14, at 9:30am. Mr. O'Hearn asked attendees to convene at 90 Broadway.

The motion to place the report on file was unanimously approved.

## **8. Report: Third and Binney Food Truck Request for Proposals (Mr. Zogg)**

*Motion: To authorize staff to enter into seasonal license agreements with the selected panel of mobile food vendors for 2016 on Parcel 6 of the Kendall Square Urban Renewal Area.*

Mr. Zogg explained that when Newport Construction completes work on Main Street sometime in May, they'll be removing their staging equipment from the Third and Binney site. Mr. Evans added that Newport Construction is under agreement to do site improvements before they leave. Mr. Zogg is investigating ways to activate the small space temporarily until the Volpe site is redeveloped, which could be several years from now. A Hubway is being considered. There are constraints with the site including no electricity, no water, and the inability to dig into the soil. An RFP was distributed resulting in twenty-five interested vendors. After reviewing the results, a different entrée truck/dessert truck pairing could be on the site each weekday. The food trucks would be parked on the site and not on the street. The proposals were evaluated on the fee offered, the days and hours available, the menu prices, the nutritional value and uniqueness of the food offered. A conscious effort was made not to compete with the existing brick and

mortar restaurants. The lunch hour of 11am to 2 pm was a mandatory requirement. Mr. Zogg distributed the list of his recommended finalists. Since no one has been contacted as of yet, it's not certain that these vendors are still available.

Mr. Evans added that one of the goals of this project is to forecast the future use of the corner as it will most likely be a residential building with ground floor brick-and-mortar retail. The CRA has explored many retail ideas for the site, all of which required a tremendous subsidy to exist in the space. The food truck proposals averaged about \$50/day, some were higher which contrasted to the vendor machine idea which needed \$200,000 to run. The financials haven't been run but the hope would be that the revenue could contribute to funding a Hubway. Ms. Born stated that neighborhood residents are complaining about the derelict state of the corner. She added that Ms. Hoffman had mentioned that food trucks had existed on the site years ago.

Comments were taken from the audience. Mr. Steve Kurland from EVOO restaurant, voiced his concern about the negative effects that food trucks will have on his business. He suggested that a \$50/day fee essentially robs the restaurants that have steep rental costs. The restaurants have helped to build the area. Mr. Zogg said that the CRA is focused on place-making and increasing foot traffic by temporarily creating a new park space and establishing that as a destination. The timeframe for the food trucks is June through September. In discussions with Abigail's, it was stated that there is a different clientele for the food trucks than the existing restaurants.

Tony Liang from Fuji restaurant, thanked Mr. Zogg for his work, and stated that he realizes that something needs to be done with the eyesore condition of the site and that it is not easy to please everyone. He invested in the area with a twenty year lease and doesn't want others without that same investment to reap the benefits. He feels that creating a park with just tables and chairs would easily activate the space. He added that some food trucks might not be aesthetically pleasing and might generate noise and carbon monoxide fumes if they are constantly running. Varying the food trucks on a daily basis would make it more difficult for the existing businesses.

Ms. Born said that civic responsibility is the most important goal of the project. Mr. Evans emphasized that the area will not remain a park and that the current idea is to set the stage for a most likely retail corridor future of Third Street. He added that the CRA is not subsidizing the food trucks. Mr. Hawkinson suggested giving the trucks a try for a season to see what happens. Mr. Matt Cameron, from Fuji, added that the food trucks could have a problematic effect on future restaurants coming into the area. Losing a percentage of lunch business for four months could have a detrimental effect to the financial health of existing restaurants. The competing nature of the food truck finalists' menus was discussed. Other areas with food trucks and nearby restaurants were discussed. The price points of the menus were discussed. Mr. Bator does not want to hurt those who have made significant investments in Kendall Square but without actual data it is hard to know the effect. The population in the area could be sufficient to support both. Ms. Born stated that eating at a food truck caters to a different clientele than a sit-down restaurant. Ms. Blair Li, from Fuji, said that those going to the restaurant might change their mind and go to a food truck but that situation wouldn't happen in reverse. Mr. Bator suggested having only dessert trucks. Ms. Drury compared the concerns to the situation when Cambridge restaurants went nonsmoking but the restaurants continued to be okay. Mr. Kurland said that his bar was hurt but nonsmoking became common law which equaled the playing field. Food trucks are not on an equal playing field. Mr. Crawford said that the density of the area is growing but understands the stated anxiety. There was a discussion regarding the possibility of one or two dessert trucks. Mr. Evans clarified that there aren't two classes of clientele but

rather any person may patronize either type of eatery depending on the day. He added that developers often choose restaurants for their retail space in Kendall Square because there seems to be a demand. He could obtain data that supports that. In response to Mr. Bator, Mr. Evans said that the dessert food trucks could be rolled out immediately. The goal would be to start something in June so a decision in May would only give staff two weeks. Mr. Zogg stated that the food trucks have other opportunities that could jeopardize using them if a selection decision is delayed. Mr. Evans would like to tell Newport how to proceed within the next few weeks. Mr. Zevin would like vendors who sell things other than food. Ms. Born said that the students in the area are a large clientele that would not be going to brick-and-mortar restaurants. A seating-only area without food trucks and joint maintenance with the restaurants was discussed. Ms. Born added that Relish was hired to explore other ideas but all their ideas were very expensive. Mr. Zogg stated that the design hasn't been completed but expects there to be about 4-5 picnic tables. Mr. Zevin noted that the site has no water, electricity or drainage. Mr. Hawkinson suggested that the issue of money be removed from the decision, especially since the CRA is not a poor entity. He also added that only a particular constituency is present tonight which does not include the interests of the residents and regular attendees who might have expectations based on what the CRA said it would do.

Mr. Bator stressed that the people who have spoken tonight have invested in a long-term commitment to the area. This project's goal is to make the area nicer in the short term, not to make revenue. Given the timing issue, Mr. Evans suggested pursuing the dessert option to take advantage of the season while researching the economic viability on the other options for next year. In response to Ms. Shore, the restaurant representatives said that it would be less of a problem to have the same entrée food truck than having a different one every day. Ms. Drury thought this was a good compromise. Mr. Evans said that only one vendor, who was a direct competitor, was available every day. Ms. Drury suggested a varying dessert truck every day and the same entrée truck for a few days a week.

Mr. Evans emphasized that the CRA is following public procurement laws for the food truck selection. There was an open and closed RFP. The selection can only be from the list of submittals that completed the process by the deadline.

In response to Mr. Bator, Mr. Evans said that the most direct compete bakery is Tatte which has just been acquired. Au Bon Pain needs to relocate due to the construction. The Fuji and EVOO managers were grateful to the Board and are available to discuss ways that they could help with the site.

Mr. Bator emphasized that the fragility of the restaurants is an unknown. The CRA has some obligation to support those who have made significant investment in the area. Mr. Zevin stated that the diesel fumes could be an issue. Mr. Evans said that landlords of the nearby buildings, Alexandria and Equity, were fully supportive of having food trucks. Mr. Hawkinson stated that obtaining data for future decisions might not be easily attainable. There was a discussion about having a rotation of only dessert trucks versus adding one entrée truck.

The motion authorizing staff to enter into seasonal license agreements, with one entrée truck that is not a direct compete with the existing restaurants, in combination with a rotation of dessert trucks, for 2016 on Parcel 6 of the Kendall Square Urban Renewal Area was seconded and unanimously approved.

## **9. Report: Monthly Staff Report to the Board**

Mr. Evans stated that the reappointment recommendation of Mr. Crawford was previously discussed. The segregation of duties and bank account reconciliations were discussed with the Treasurer. We need a contractor for the new park. Mr. Evans stated that for jobs over \$35,000, there are two options – a public bid process or, with the Board’s approval, an RFP process. Since this is a learning process for staff and the scope might increase with the Third & Binney park, Mr. Evans recommends that the CRA do the RFP process with a time and materials labor cost where the scope can change. A vote by the Board would be required to allow this RFP.

In the forward calendar, Boston Properties will present their massing plan to the Board in about two weeks. The State’s decision on the Kendall Square Urban Renewal Plan should be known within the month. With the Boston Redevelopment Authority asking the State for 22 urban renewal plan extensions, the State is being more cautious.

Landscape work on the Grand Junction Park is moving along. Staff decided to add one drip irrigation line to save time watering the new trees. The Foundry RFPs are expected in two weeks. The Kendall Square Ecodistrict bike plan was discussed and the first report on the energy usage study was presented to the stakeholder group earlier today. Staff is working with Boston Properties on the interim solution for Point Park while the City is planning something else for the park.

The motion authorizing staff to issue an RFP for a Landscape maintenance service was unanimously approved.

#### **10. Report: Quarterly Financial Update**

The first quarter report shows that the personnel and office expenditures are a quarter of the budget. Little has been spent on property management to date as there hasn’t been much snow. An adjustment in the budget might be requested for the Foundry money as it might be a transfer of money from one bank account to another. The developer’s RFP will influence the decision. Property insurance will need to be adjusted with the new park use. There is also an increase in GIC medical insurance as of July 1. Mr. Crawford suggested that the staff investigate whether the CRA is covered under the State’s recreational use statute.

#### **11. Report: Annual Investment Portfolio Update (Mr. Evans) \***

Mr. Evans stated that according to the CRA investment policy, this is the annual report of the CRA investments. With the approval of the treasurers to move funds from a recently matured CD into Morgan Stanley, about half of the CRA holdings are now with Morgan Stanley. The investment strategy remains conservative even with the recent move to a 10% equity holding. Mr. Zevin noted that a tobacco company is on the list. Mr. Evans explained that these are in the list of state approved equities but that a decision can be made to omit ones if so desired. The CDs and corporate bonds are fully insured by FDIC. These mature at different times to provide accessible cash flow if needed. One-, two-, three- and four-year terms are being used. A move to longer terms with higher interest rates can be made once the need for CRA liquidity is better known. The last pages in the packet are reports directly from Morgan Stanley and show the market value of the various assets and liquidity of the laddered CDs. The line graph depicts the CRA financial position with information known today and presumes that laddered CDs are not reinvested when they mature. The red line shows the small amount of known income. The blips are from the Ames Street housing per the letter agreement with Boston Properties. With the blue expense line being higher than income, the CRA continue to operate with money from savings, even with the blips from Ames Street. The large blue blip is the \$2 million for the

Foundry. Mr. Evans summarized that without the Boston Properties development, the CRA's lifespan past 2024 is not tenable at the current "burn rate."

Mr. Bator stated that if this were the expected holdings scenario for the future, the CRA would be working differently. However, development funds are expected and thus will allow the CRA to operate with more flexibility.

## **12. Update: Draft KSURP Implementation Plan (Mr. Evans)**

Mr. Evans explained that this documents what the CRA plans to do in the next five to ten years. These came from ideas in the K2 plan, the community outreach process, the EIR mitigation, etc. There are five topic areas – transportation, open space, sustainability, housing/neighborhood development, and economic development. Mr. Evans asked the Board for feedback on adding things, removing things, and vetting it with the public for more dialogue. The format is a barred time line graph. It is a work plan for Kendall Square. Ms. Born would like to show this to the City Council or administration. Mr. Evans explained that many of the items are not sole CRA projects but do involve the CRA in some way. Mr. Zevin suggested listing the partners involved. The Board liked the general format. Ms. Born would like to have a public meeting using this document as a model. Mr. Evans would like to involve the public before going to the City Council. He added that some of information will also pivot on what is learned from Boston Properties in the next couple of months.

## **Adjournment**

A motion to adjourn the regular Board meeting was made, seconded and approved. The meeting adjourned at 9:35 p.m.