

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, October 18, 2017, 5:30pm
Robert Healy Public Safety Center / Cambridge Police Station / Community Room
125 Sixth Street, Cambridge, MA

APPROVED Meeting Minutes

Call

Chair Kathleen Born called the meeting at 5:52 PM. Other Board members present were Vice Chair Margaret Drury, Treasurer Christopher Bator and Assistant Secretary Barry Zevin. Assistant Treasurer Conrad Crawford was absent. Executive Director Tom Evans and other CRA staff members were also present.

The meeting is being recorded by the CRA and a member of the public

Public Comment

Mr. Steve Kaiser said that as a result of the Volpe zoning, MIT did a resubmission of their petition which now includes studying transit and roadway capacity. He said that this builds on the CRA's EIR from two years ago.

Ms. Born said that although this was good news, it would be better to have a more directed collaboration, specifically using the KSTEP model that the CRA set up with City and the State. Mr. Kaiser said that MIT would be doing a major research and analysis effort on bunching and associated problems. Mr. Kaiser said that MIT is also looking for team members that could join them.

Mr. Evans noted that he will be entering a recent correspondence letter from MIT which he'll talk about later in the meeting.

There were no others who requested to speak.

The motion to close public comment carried unanimously.

Minutes

**1. Motion: To accept the minutes of the Regular Meeting of the Board on September 13, 2017 *
Reports, Motions, and Discussion Items**

There were no comments made.

The motion to accept the minutes and place them on file carried unanimously.

Communications

Mr. Evans said that when the agenda was created, there were no correspondences. However, on Monday, he received a letter of commitment from MIT which he distributed. The letter relates to changes in their zoning petition which was discussed at the City Council meeting. There is now a commitment for a significant infusion of graduate student housing at locations to be determined. Other commitments include open space programming and funding of a recreational space. There is a commitment regarding the right of way and funding towards construction of the Grand Junction Path on the section controlled by MIT, south of

Main Street. He explained that \$8.5 million is committed to the Grand Junction, \$8.5 million to the community fund and \$8.5 million to transit improvements that will be governed by a committee structured by the City. Mr. Evans was unsuccessful in his efforts to get KSTEP incorporated into the MIT / Volpe zoning. He is hopeful that there might be a possibility for a new MOU between the City, the State, the CRA and MITIMCO. The CRA issues have not been salient in the zoning conversations.

The motion to place the communications on file carried unanimously.

Reports, Motions and Discussion Items

2. Presentation: Akamai Signage Proposal 145 Broadway

Motion: To Approve the Building Signage Proposal for 145 Broadway, Kendall Square Urban Renewal Area, Parcel 2

Mr. Zogg said that CRA, Akamai and Sasaki staffs have worked on modifications to the three signage locations (skyline, street level and parapet) based on comments from the Design Review Committee meeting. Victor Vizgaitis from Sasaki introduced Brian Murray from Akamai and Mike Tilford from Boston Properties.

Mr. Vizgaitis said that for the skyline, the sign has colored letters, an aluminum substructure and is internally lit. It has been downsized 10%, which he said is appropriate for the scale of the building but still provides visibility for Akamai's purpose. The mid-height sign on Broadway, which is over the front door of the lobby on the top of a projection, was also downsized and is able to be supported by the curtain wall in all weather conditions. The letters are on a structure that is the same color as where they are going to be attached to the building. The third sign at the pedestrian street level has been significantly downsized. It is mounted and aligned on the terracotta and is halo lit. The board was pleased with the modifications. Mr. Vizgaitis showed slides of other company's building signs in the area. There was a comparison of the dimensions relative to building sizes and lighting. Mr. Vizgaitis said that the signs will be built so they can be dimmed if necessary. Mr. Zevin mentioned that the City sign ordinances might have exceptions for hotels to allow higher and bigger signs so that visitors can find them. In response to Mr. Zevin's concern about the windy corner and the high sign, Mr. Vizgaitis explained that engineering is working on going through the curtain wall to ensure the signs are fully supported and reinforced and that snow, ice, and melting concerns are addressed.

Mr. Vizgaitis explained why internally lit signage was chosen for two of the signs on the reflective glass building. There was a discussion of halo lighting. He said that Pickard Chilton are aware of this decision. The street level sign on the terracotta will be halo lit with white lighting.

The motion to approve the Building Signage Proposal for 145 Broadway, Kendall Square Urban Renewal Area, Parcel 2 carried unanimously.

3. Update: Foundry Cooperation Agreement

Mr. Evans said that staff has been working on this background document since March while creating the Demonstration Plan. This document is practically a term sheet to move the process forward. It sets up roles, responsibilities, and cash flow of the City and the CRA. CRA legal counsel, Jeff Mullan, said that the CRA Board does not need to vote on the cooperation agreement separately since it will be part of an amended lease which the CRA Board does vote on.

Mr. Evans spoke about the baseline revisions that were adapted from the original lease. The Demonstration Plan has been amended. The lease will need to be revised, then approved by the CRA Board and signed by the City Manager. This does not require City Council action. The City has approved the operator RFI process which is not common with a City procurement process. The CRA has agreed to contribute \$2 million to operational elements to be defined later. Separate accounts will be created for maintenance, capital reserve and maintenance/operating reserve.

This is a City constructed building with joint CRA and City funding. Michael Black, from the City is running the construction management process. The yet-to-be-resolved environmental remediation process is in DPWs realm and they are working with Kleinfelder. The City is releasing an RFQ for the designer tomorrow which has three steps of scope – a feasibility study, schematic design drawings, and a design/build process. The City's proposal is to use the public construction procurement rules of Chapter 149A – Construction Manager at Risk, which is how schools are designed. Mr. Evans and Ms. Madden are on the selection committee. The CRA will do an operator RFP procurement for an organization to run the program, to be in charge of community programming and outreach, to manage the building, and to broker tenants.

In the amended Demonstration Plan, the CRA committed \$7 million to the construction project and \$2 million for operations. Based on feedback from the CRA Board, CRA money should be focused on fit-outs. The CRA will be reimbursing the City for work done throughout the process but to help with the City's accounting, the CRA agrees to reimburse the City within the fiscal year that the expense incurs. Mr. Bator wants control on the fit-out costs as this is tied to the program. Mr. Evans said that some of the fit-outs might be done by tenants with a fit-out allowance.

In response to Ms. Born's concern of redundancy with the Foundry and the community center noted in the Volpe/MIT commitment letter, Mr. Evans said that there might be overlap with workforce development which is not a problem. The main focus of the community center is as a recreational facility.

The City is very concerned about net zero which is could escalate costs. Mr. Zevin wants to break out the net zero costs as attaining this in the Foundry is almost impossible. There was a discussion about making buildings net zero. The CRA doesn't want net zero goals to take over the mission of the building. Mr. Evans said that there is a meeting tomorrow to go over the current version of the cooperation agreement. In response to Mr. Bator, it is unknown how many current City Council candidates are familiar with the Foundry. Mr. Evans said that many have spoken to workforce development.

4. Discussion: 2018 Work Plan

Mr. Evans said that this plan is a precursor to a Board discussion about the 2018 budget. Mr. Zogg distributed a PowerPoint presentation. The first slide stated the CRA mission and operating principals noted in the 2014 CRA Strategic Plan. Then he spoke about the status of CRA projects (Kendall and non-Kendall) carrying over into 2018.

The KSTEP project is currently undergoing a governance document review with the other stakeholders. Work is being done to define Innovation Space at 255 Main with Boston Properties. Design review on 145 Broadway & 88 Ames continues. Mr. Peralta has been working on future Binney & 3rd Street (Parcel 6) programming & improvements which he'll be presenting to the Board. The Kendall Square Mobility Task Force (KSMTF) implementation project involves a graphic design report with other stakeholder collaboration, a demand estimate, as well as a path identity for the Grand Junction. The POPS (Privately Owned Public Spaces) inventory project is being worked on by Ms. Levering. Grand Junction Park repairs project involves overseeing the digging work that Veolia is starting next week and continuing for months. Oversight is needed on Boston Properties' committed improvements to the Sixth Street Walkway that will start in the spring. The Binney/Galileo streetscape is scheduled to be completed by the end of the year but staff needs to work with MIT and Boston Properties to implement the design next year. The Broad DNatrium project just had a design review.

Staff is considering a landscape design for Parcel 3, which houses the Whitehead Institute, the two Broad buildings, the current Akamai building, and the Residence Inn, which would connect the interstitial spaces surrounding the buildings into a cohesive design. Staff has begun discussions with MIT Steam and Veolia to redesign the vault interchange near the railroad tracks on Main Street. Stoss might come back with presentations on their Galaxy Park designs. The next generation transportation report would be an expanded report (as stated in the EIR) to include transportation data (bikes, peds and transit) as well as traffic data. The CRA did not produce the annual traffic report in 2016 and 2017 due to the Longfellow Bridge and Main Street reconstruction projects. Mr. Evans passed out the CRA Implementation Plan which

was part of the Kendall Square Urban Renewal Plan. Most of these projects are contained in the Implementation Plan. Creating a Kendall Business Improvement District or Central Business District is another project that has not begun.

Projects beyond Kendall Square include the Foundry, 105 Windsor Street, the 2018 Forward Fund, and collaborating with CDD to urge the State to complete the Grand Junction Path from Somerville to Boston. CRA staff is working with KSA to write comment letters on the interstate 90 designs allowing for the continuation of the path. CDD is working on overlay zoning to protect the corridor along the railway. CRA staff is trying to be the connection between the private and public sectors while making sure that the transit component is part of the story. The CRA staff is also fostering the Somerville – Boston relationships.

Mr. Bator said that he wants to enlarge the Forward Fund financially and geographically. He would like to see more projects beyond Kendall. Mr. Bator wants the program to be widely known. There was a discussion of goals and the audience for the Forward Fund. The 2018 Forward Fund will be discussed at the November meeting. Mr. Zogg spoke about creating a CRA public art program in 2018 which can also be discussed in November as well.

Administrative projects include records management and a property maintenance oversight strategy to ensure consistency. Mr. Evans added that in addition to an update in the personnel policy, a consultant has been engaged to discuss personnel infrastructure of the organization. Mr. Zogg has drawn up a draft scope of work for an RFP for an archivist and hopes to work off a similar search that the City is undertaking. Mr. Evans said that he has been working with the Treasurers on the investment strategy which will be discussed later in the meeting. The lease ends December 2018 so relocating the office is also a 2018 project. Boston Properties is currently looking for an operator for the innovation space in 255 Main Street which will exist on the floor that the CRA office is currently located.

Mr. Zogg said that a lot has changed in Cambridge since the CRA Strategic Plan was published in June 2014. Many things are no longer relevant. He showed a list of City and CRA plans and reports written since 2014. Any new project should be consistent with City Policy and fit within the CRA mission. The financial and capacity needs of a project need to be considered. Mr. Zogg said that rather than updating the entire Strategic Plan, a projects and programs list could be created by reviewing already written plans, including the current CRA Strategic Plan and the Implementation Plan. Staff would then meet with the CRA Board, City leadership and the public. He listed various ways to engage the public.

Mr. Evans said that a discussion of the public art program and the Forward Fund can be discussed next month. Staff resources can be allocated to work on the summary project and consultant costs will be evaluated to help implement some of the projects. There was a discussion of contracting or partnering with organizations that know how to create loan programs.

5. Update: An Act Modernizing Municipal Finance and Government

Motion: To approve an amendment to the CRA Procurement Policy consistent with the Act Modernizing Municipal Finance and Government

Mr. Evans said that when the act to modernize municipal finance and government was passed last year, his focus was on the OPEB allowance for redevelopment authorities. However, this act also raised the thresholds for the 3-solicitation of bids or proposals for both professional contracts and construction to \$50,000. The threshold was \$35,000 for services and \$25,000 for construction. Mr. Evans said that the Board packet includes the parts of the 125-page bill that dealt with the modification. The CRA Procurement Policy before the Board is amended so that all instances of the affected thresholds are changed. This gives the CRA more procurement flexibility. There is a lot of work in this price range and therefore will be used for many of the consultants.

Ms. Shore noted that Ms. Drury had made some suggestions for CRA name consistency but that it didn't affect the sense of the document.

A motion to approve an amendment to the CRA Procurement Policy consistent with the Act Modernizing Municipal Finance and Government carried unanimously.

6. Update: CRA Investment Funds

Motion: To instruct the Treasurer and Executive Director to direct the CRA portfolio toward Environment, Social and Governance (ESG) investments

Mr. Evans noted that Mr. Crawford had championed this effort and it was unfortunate that he was unable to attend tonight's meeting. Mr. Crawford had suggested that the CRA make a statement of its values with its investment strategy. Staff and the Treasurers have had discussions with David Javaheri of Morgan Stanley (MS) and Cambridge Trust Wealth Management (CTWM) representatives regarding the Office of the Commissioner of Banks List of Legal Investments which had been used as the CRA's investment strategy. Both CTWM and MS representatives noted that there is now financial strength in social responsible investing. Both entities have group of people who assess companies based on stringent ESG filters. The Treasurer, Assistant Treasurer, and Mr. Evans feel that this is a sound investment strategy and recommend this movement for equities and bonds.

Mr. Bator said that ESG investing is now mainstream and profitable. The CRA initially invested in the List of Legal Investments as a model because it was defensible but it is actuality outdated. The CRA will use both MS and CTWM. Mr. Evans said other institutions are transitioning to this model. There is an asset managerial fee.

A motion to instruct the Treasurer and Executive Director to direct the CRA portfolio toward Environment, Social and Governance (ESG) investments was made and seconded. A role call was taken.

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

The motion carried.

7. Update: Monthly Staff Report and Quarterly Financial Report

Mr. Evans said that the items coming up in the calendar are a Forward Fund report, the Foundry lease with City, the Broad lobby design, the auditor report for 2016, an authorization to release an RFP for the transportation report, and the 2018 budget based on the work plan.

Staff continues to do design review of various elements for 145 Broadway and Ames Street. A new bus stop location on Ames Street is being evaluated with Boston Properties and the City to reduce travel times for the CT2 crosstown route. Mr. Evans said that floating bus stop islands are a growing trend. Staff is also working with Boston Properties for signage to explain what is coming to the sites. There is a sign for 145 but not yet for Ames Street. Staff is working on the design of the Sixth Street Walkway. Veolia is going to start their work on the Grand Junction Park, south of Broadway. In return for disrupting the park, improvements will be made, including the repositioning of the fence closer to the property line. Veolia is paying land access fees to the CRA which will cover some CRA staff time used to oversee this work. Veolia will also reimburse the CRA for the repairs to the land. Through work on the Infill Development Concept Plan, a better inventory of open spaces (public and private within the MXD is needed. There is also a collection of small CRA-owned parcels outside of the MXD. Staff has spoken to Boston Properties about a signage program for rules of their open spaces.

There's been a lot of work done on transportation. Staff is pushing Alta to get the streetscape designs done by the end of this year so that they can be given to Boston Properties (BP). The desire is for BP to design the sidewalk and curb towards the future design as opposed to adhering to the current rules of returning it

to exactly what it was before construction started. There was a discussion of incorporating the streetscape design into the Binney Street Park construction project. Mr. Zogg said that he was hoping for a presentation by the City to be made to the CRA Board about the current plan which might also identify opportunities where the CRA might be able to assist. BP and Alexandria are the primary sources of funding for the City's contract with Stoss.

The Parcel 6 My Totem project is complete. The Board and public are invited to the celebratory opening at the site next Tuesday, weather permitting. The Food Truck program completes on November 17. A Christmas Tree vendor is planned to be there through January 1, 2018. A new RFP for food trucks will be released early next year. The City Council approved the Community Preservation Act funds for 105 Windsor Street. A discussion with the City and the community will determine whether to spend this money now for the external rehab or hold the funds until a total remodeling project has been designed.

The third quarter report reflects the funds received from Boston Properties. Some of this money was moved into Cambridge Trust Wealth Management accounts for the Foundry and the KSTEP commitments. Much of the rest will go into the CRA investment account with Morgan Stanley. The CRA financial picture looks good. By the end of the year, the CRA will make large payments for the Alta streetscape design completion and the loan to Just-A-Start. Just-A-Start is having a ground-breaking celebration next Wednesday for the church replacement housing.

Mr. Evans said that staff has been in discussions regarding the creation of a BID in Kendall Square through the Kendall Square Association (KSA). Since the KSA has an interim leader, the Smart Growth Alliance, which is working on the community benefit district legislation at the state level, asked CRA staff to inform the governor's office that the CRA would be in favor of the ability to create a BID. This has passed the legislature and becomes law if the governor does nothing. Ms. Born left the decision to write a letter to Mr. Evans.

Adjournment

The motion to adjourn the meeting at 8:38 p.m. carried unanimously.