



Regular Board Meeting of the Cambridge Redevelopment Authority

Wednesday, June 21, 2023 at 5:30 p.m.

Pursuit to Chapter 2 of the Acts of 2023, this public meeting was conducted in hybrid format with in-person and remote participation options.

APPROVED Meeting Minutes

Meeting Files

- [Agenda and Notice](#)
- [Approved minutes of the Regular Meeting of the Board on April 12, 2023](#)
- [Approved minutes of the Regular Meeting of the Board on May 10, 2023](#)
- [Letter from East Cambridge Planning Team regarding Broad Institute Sculpture and Galaxy Park Design](#)
- [Staff Program Report](#)
- [Monthly Financial Report](#)
- [Proposed 2023 Budget Amendment](#)
- [2022 Kendall Square Transportation Report Memo](#)

Presentations & Handouts

- [2022 Kendall Square Transportation Story Map](#)
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Opening Statement

At 5:30 p.m., Ellen Shore, CRA Operations Director, said that Pursuant to Chapter 2 of the Acts of 2023, this public meeting will be conducted in hybrid format with in-person and remote participation options at the start of this meeting and possibly at other times during the meeting, at the discretion of the chair. The meeting was also viewable live on Facebook by going to CRA's Facebook at www.facebook.com/CambridgeCRA. She then explained how to provide public comment. Reading materials can be found on the CRA's next meeting webpage. This meeting was recorded, including all video, audio, and QA messages.

Call Roll

Vice Chair Conrad Crawford called the regular meeting of CRA Board. A roll call of Board members and the Executive Director was taken. Margaret Drury's term on the Board expired in April.

Chair Kathleen Born – present, in-person
Treasurer Christopher Bator – absent
Asst. Treasurer Barry Zevin – present, remote
Executive Director, Tom Evans – present, in-person

CRA staff members were also present. Mr. Crawford said that all votes will be taken by roll call and that Mr. Evans will repeat the responses.

Public Comment

Heather Hoffman said that she gave Ms. Shore a few typographical corrections to both sets of the minutes. She commended the letter from the East Cambridge Planning Team. She emphasized the community's need for good parks and more of them. With respect to the transportation planning and recording, she was surprised that there was no reference to the totem counter for bicycles, even though the counter includes those who might only be

passing through Kendall Square. It is sadly the only such counter in the City. She was also hoping to see some reference to the opening of the community path and a possible future connection with the Grand Junction path.

Minutes

1. Review of the minutes of the Regular Meeting of the Board on April 12, 2023

Mr. Evans noted that Ms. Hoffman's edits should be incorporated.

A motion was moved by Ms. Born to accept the minutes, as amended, of the Regular Meeting of the Board on April 12, 2023 and place them on file. A roll call was taken by Mr. Evans.

Chris Bator – absent

Kathy Born – yes

Conrad Crawford – yes

Barry Zevin – yes

The motion carried.

2. Review of the minutes of the Regular Meeting of the Board on May 10, 2023

Ms. Shore noted that Ms. Hoffman's edits will be incorporated.

A motion was moved by Ms. Born to accept the minutes, as amended, of the Regular Meeting of the Board on May 10, 2023 and place them on file. A roll call was taken by Mr. Evans.

Chris Bator – absent

Kathy Born – yes

Conrad Crawford – yes

Barry Zevin – yes

The motion carried.

Communications

3. Written communications received since the publication of this meeting notice.

Mr. Evans said that a letter was received, which was also referenced by Ms. Hoffman, from the East Cambridge Planning Team (ECPT) reflecting on two of the items that were discussed by the Design Review Committee. ECPT urges focus on the public safety aspect of the Broadway right-of-way at Galaxy Park and the more heavily planted alternative. They voiced enthusiastic support for the Broad Institute's public art display.

Mr. Zevin thanked the ECPT for their comments on the park and the bike lane infrastructure. He agrees with ECPT.

Mr. Evans said that the Broad Institute had asked if there was any additional process for their art exhibit. He said that since this is public art, further discussion by the Board would not be needed. Ms. Born wanted assurance that there would be no aspects that conflicted with past Board approvals of public art or any other issues of public accessibility. Mr. Evans said that the proposal didn't seem to make any significant modifications to the building itself.

Administrative Actions

4. Staff Program Report

Kyle Vangel, Director of Projects and Planning, summarized the staff report in the Board packet.

Mr. Crawford asked for more information regarding the enclosure for the 125 Broadway oxygen tanks. Mr. Evans said that the final design is much like the design reviewed by the CRA which had a fair amount of transparency and chamfered fence corners to help with the view. There were some adjustments to the style of the fence to look

more like the other fence around the same building. The concept of an art piece on the fence was not supported by the Art Council's staff.

Ms. Born started a discussion regarding the status of commercial office space post-pandemic. Mr. Vangel said that the trauma in the commercial office market is real. Cambridge has an advantage, however, of being an epicenter of the life sciences ecosystem. The situation will need to be monitored. However, he added that upon seeing Kendall and its restaurants overflowing with people today, it seems like Kendall Square might escape urban doom. Mr. Crawford added that the daytime population is heavier mid-week, while Mondays and Fridays are much slower. He added that the residential proximity to business districts helps to generate activity. There was a discussion of the make-up of the MIT (Volpe) buildings.

Mr. Zevin had a number of comments about the Staff report. He was intrigued with the notion of having activities at Parcel 6 (3rd & Binney) other than food trucks. Regarding the head house, he asked if the new entrance inside of 325 Main Street is going to be the head house for a while, not the actual existing head house. Mr. Evans confirmed. Mr. Evans said that Boston Properties (BXP) started that construction in their own building while waiting for MBTA permission on the headhouse itself. Mr. Evans added that BXP will need to punch a hole in the wall near the Charlie Card machines for the entrance. After the new head house is complete, the stair and elevator will be part of the MIT Coop entrance. Mr. Zevin also noted that the address of Proto is 88 Ames, not to be conflated with 121 Broadway. In addition, the Staff report should say Third Square not Third Squared. Regarding 290 Binney Street, Mr. Zevin suggested a re-look at entering the parking garage from the outside for pedestrians (i.e., residents of 121 Broadway) as it seems awkward and not altogether safe. Although this sorts itself out when the second building arrives, that wouldn't happen for a while. Mr. Zevin said that he attended one of the Grand Junction meetings and was really encouraged that the consultants, in particular Rachel Burkhardt, seemed very open to non-standard solutions and were willing to look at the thing in a granular way that takes into account of all the specific quirks of different parts of the alignment. Finally, he was specifically told that residential tenants would not be disturbed by the oxygen tank filling process. However, he experienced just the opposite on a quiet Sunday afternoon a few months ago when an 80-90 decibel roar was heard from a large tank truck filling one of the liquid gas tanks on the MIT campus.

Mr. Crawford relayed a situation on Third and Broadway at 8:30 a.m. when he and others were subjected to a loud noise of possibly 120 decibels. Mr. Evans said that this was most likely vibrating sheet piles into the soil. There was a discussion on how to report these issues – calling ISD for construction complaints, use the City's See-Click-Fix portal, and calling the license commission. There was more discussion on the use of sheet piles and slurry walls in the foundations of the buildings being built in Kendall Square.

5. Monthly Financial Report

Ms. Shore said that consultant Cutty Thomas from Withum was having technical difficulties so he will not be able to present the report he generated. She said that after Hema Kailasam left the CRA at the end of February, Withum's accounting services was procured to assist staff with financial reporting to the Board and the 2022 audit. The audit started last week. Tonight's financial report is as of April 30, 2023, and is similar to the report that Mr. Thomas shared with the Board during the May Board meeting.

The first page of the report shows three statements of activities – for CRA (including Bishop Allen and the Foundry), just for Bishop Allen, and just for the Foundry. The left side is the income, the right side are the expenses, broken down into broad categories.

Mr. Evans noted that when the 2023 CRA overall budget was approved in December 2022, the Bishop Allen and Foundry budgets were separated out. In the next agenda item, there is a proposed amended budget that will merge both projects into the overall CRA budget.

The charts include a comparison of the actuals at the end of April against the budget at the end of April, in addition to a comparison to the yearly budget. A majority of the expenses are Foundry expenses.

Ms. Born asked about the Foundry budget. Mr. Evans said that a 60% vacancy was expected in the first year. Ten months into the rental year, the Foundry is 50% occupied. This is just enough to cover the money for the Foundry Consortium (FC) but not enough for the other expenses. The FC pays for all the expenses on the ground floor and

some of the building-wide expenses like water. Electricity is complicated. The CRA pays for insurance, property tax to the City, electricity for the vacant third floor and common areas. The CRA is putting money into a reserve for future capital needs, and paying itself back for the staff work on the Foundry. Mr. Evans explained that the insurance is for the contents of the building and the building itself. The FC covers liability and some property insurance but mostly for the property that they use on a regular basis such as makerspaces and supplies. The City is self-insured. The electricity expense is less now that the solar is online. The City is responsible for Roger Street maintenance, including street trees and pavers. The CRA is responsible for the yard area. The storm water system is a shared responsibility.

6. 2023 Budget Amendment

Mr. Evans said that a major component of the budget amendment is to fully include the income and expenses of the Foundry and Bishop Allen into the CRA budget, as suggested by Withum, rather than carrying these as separate lines of business, which is how it was initially set up. Another major modification is the inclusion of \$60 million in income from the MXD developments at 121 Broadway and 290 Binney. A smaller amount of income will come later when 250 Binney is built, since this building is using some existing GFA. Lines 5 and 6 are the income from the Foundry and Bishop Allen. As discussed with Morgan Stanley, the \$60 million will immediately be put into laddered treasuries and then gradually transitioned into equities, according to the investment policy. With the inclusion of sales from development rights and the rents from Bishop Allen and the Foundry, the change in income in the amended budget is \$71 million.

The changes in expenses are less dramatic. The personnel costs, including salary and other costs, are smaller due to the Director of Finance and Operations position being vacant for 4 months. The main change in the office expenses is that the Travel line item now represents business related travel and parking within the city. Travel for conferences and professional development is included in the Conferences and Training line item. The insurance costs increase because this now includes insurance for the Foundry and Bishop Allen. There is an allocation for furniture because the office will be moved or redesigned to accommodate the increase in staff. Other Foundry and Bishop Allen costs are now folded into the Office Space category.

Another major budget change is the OPEB line item. As discussed with the Finance Committee, the income expected from development rights provides an opportunity to make a sizeable investment to the CRA's OPEB fund. He noted that although the fund will not be fully funded this year, the 50% level will make CRA a leader among government agencies. The situation can be evaluated next year to determine whether to fully fund it.

With respect to Property Management, the Utilities category now includes expenses from the Foundry and Bishop Allen. TSNE is the property manager for both Bishop Allen and the Foundry. Their building management fee for Bishop Allen is included in the CRA budget. Their fee for the Foundry is covered in the CRA payments to the FC. The budget includes the property tax assessment to the city, which Mr. Evans has applied to get lowered.

The amended budget has very few changes to the Professional Services with the exception of additional outreach and marketing funds for hiring.

Ms. Born asked for clarification with respect to lowering the property tax for the Foundry, a city-owned building. Mr. Evan said that the assessor's office has two addresses and two assessments for the building, one for the community space and one for the commercial space. In the initial assessor's review of the community space, they are taxing the property because the FC is charging people to use the space and the cafe is charging for coffee; even though the FC is a non-profit. Mr. Evans tried to explain to them that the money generated was not close to what it costs to operate the space. However, the assessor's office needs to see a year of numbers showing that the FC is losing money, before making any changes. Mr. Evans added that there is really only one commercial tenant as the other two tenants are nonprofits. The building tax did get some vacancy deduction. This is a point of great frustration for the CRA staff.

Ms. Born relayed a similar experience she had in the past and suggested that legal representation might be needed. Mr. Evans said that he will evaluate the situation once he hears back from the filing that was done in April.

Mr. Evans said that \$400,000 was added to the Forward Fund line item, as per the approved motion in last month's Board meeting. As the Foundry budget is now included in this amended budget, Mr. Evans noted the annual

payment of \$700,000 to the FC. He highlighted that the Foundry office rents are just covering the FC expense. The combined budget includes Bishop Allen work that is needed before the closeout, some final solar installation costs, and the mortgage.

In summary, the changes to the budget increase expenses by nearly \$2 million but show a net income of \$70 million, primarily due to the development of the two buildings.

Mr. Evans noted that any payments for real estate acquisitions are not reflected in this budget. These will be discussed in tonight's Executive Session. If needed, another budget amendment would be presented to the Board.

A motion was moved by Ms. Born approving the 2023 Budget Amendment to anticipate the sale of development rights, integrate real estate property management expenses, expand contributions to the Forward Fund grants and the CRA OPEB Trust, and other minor adjustments. A roll call was taken by Mr. Evans.

Chris Bator – absent

Kathy Born – yes

Conrad Crawford – yes

Barry Zevin – yes

The motion carried.

Projects and Programs

7. Presentation of the 2022 Kendall Square Transportation Report

Cecelia Cobb, Project Planner, summarized the memo in the Board packet and presented the Transportation Report's most salient findings of transportation patterns observed over the past several years in Kendall Square. The online interactive report has six chapters. Chapter 1 focuses on the land use and development of Kendall Square.

Chapter 2 discusses travel mode choices. 2018 is the pre-pandemic base year and 2022 is the post year. Previously, driving alone was around 40% of the overall commuting mode used in the Kendall Square area. That has gone up to 50%. It had been previously trending either on a downward slope or keeping relatively even, so this marks a substantial change in that particular metric. There is a significant decrease in transit use for commuting as well. The report does not explore the reasons for this finding but she noted that people might not feel comfortable or that the mode isn't meeting their needs. She highlighted that the percentage of walking and biking increased. Ms. Born said this might be due to the increased housing in the area. Another chart showed the data for the five transit modes since 2007. The report has an interactive tool which details commuting methods from different zip codes to Kendall Square.

Chapter 3 discusses automobiles. From the data, an increase can be seen for the percentage of people driving alone but it is still quite a bit lower than the total number that was observed in previous years.

Ms. Born asked if this data was adjusted or curved in any way to discount the new buildings. Mr. Evans said that there are more desks in Kendall Square but it is unclear if fewer people are coming in at the same rate as previously. Ms. Cobb said that the data shows that there are fewer people coming into Kendall Square than from pre-pandemic levels. Ms. Born said that since this data is collected from Kendall Square businesses, the numbers don't include those who pass through Kendall Square on their way elsewhere. Ms. Cobb confirmed. This report relies heavily on a PTDM transportation survey that is distributed to businesses in the area. However, data is also collected from other data sets, such as standing cordon counts which observe people passing by on the street, data from the City of Cambridge, bicycle counts, data from the Department of Transportation, and garages in the area.

Mr. Evans clarified that the data in the Chart "Average Weekday Traffic Volumes, KSURP Area Historic Count Locations (1994-2022)" is actual raw data that the CRA has been collecting more consistently than anyone. Mr. Crawford asked about Monday through Friday and weekend counts. Ms. Cobb said that this data was not available for traffic volumes, but it is available for the Kendall garage use. The garage use data in the Kendall Square area is broken down by the day. In 2019, there is not much variation between the weekdays, perhaps a small drop off on

Fridays. Last year, the drop off on Monday and Friday is especially noticeable. There was a discussion of lost parking spaces in the Green Garage. Mr. Evans said that the actual count in the garage changed minimally.

Ms. Cobb said that the annual transportation report includes a graph of the data from the eco-counter for bikes on Broadway. The 2022 numbers follow the overall arc of the seasonality as shown in 2019 but the level does not reach the same volume. Mr. Evan explained how this data is used to analyze other collected bike data. There was a discussion of an increase in bike usage once the community path is opened.

Ms. Cobb said that this project's impact can be considered in the 2023 report.

Mr. Vangel noted that because data collection occurs during one week, bicycle data collection is more sensitive to weather than automobile data collection.

Ms. Cobb said that the bicycle page has a weekday bicycle traffic volume count for the past years at various locations. While the volume is not yet back to the 2019 volume it is still more than the 2018 numbers. Looking at the weekly usage for the BlueBikes program, there is a little less usage on Mondays but more people are using this mode on the weekend.

As for the overall public transit in Kendall Square, the data shows a decline in the overall use of the public transit network. There is a breakdown by subway line. This mode has not bounced back like some of the other modes. Ms. Cobb said that the events causing MBTA shutdowns has not been investigated. Despite overall lower uses in public transit, Kendall Square continues to be one of the most popular single stations on the Red Line from which to depart. There is no way to track arrivals. The Red Line is the most popular line compared to the other MBTA lines. Ms. Cobb said that from 2014 to 2019, there is a stark difference in terms of people using the Kendall Station on weekdays versus weekends. It is a more gradual arc in the 2022 data. There appears to be an equal mix of folks who are now using public transit and other modes on weekends.

Ms. Cobb emphasized that this is a new baseline in a post pandemic world, the first year for a full robust look at all of the different data collection modes. The report is on the CRA website <https://www.cambridgeredevelopment.org/annualtransportreport>.

A motion was moved by Ms. Born to authorize the Executive Director to initiate a Request for Proposals (RFP) process for consultant selection for data collection, analysis and production of future Kendall Square transportation reports. A roll call was taken by Mr. Evans.

Chris Bator – absent

Kathy Born – yes

Conrad Crawford – yes

Barry Zevin – yes

The motion carried.

Other Business

At 7:13 p.m., Mr. Crawford said that the Board had concluded all the business set forth on the regular agenda so it would not be reconvening in an open session after the executive session.

A motion was made by Ms. Born to enter into Executive Session to consider terms of potential real estate transactions for the acquisition of properties for affordable housing development. A roll call was taken by Mr. Evans.

Chris Bator – absent

Kathy Born – yes

Conrad Crawford – yes

Barry Zevin – yes

The motion carried.

Mr. Evans sent a new Zoom link to Mr. Zevin