

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday August 19, 2020 at 5:30pm
Due to the COVID-19 pandemic, this meeting was held virtually via Zoom

APPROVED Meeting Minutes

At 5:37 p.m., Alex Levering read the opening statements:

In response to the current COVID-19 situation, the Governor has suspended certain provisions of the Open Meeting Law allowing government bodies to meet using remote participation. In accordance with the Order, the CRA is holding this Board meeting virtually via Zoom Webinar, with the ability for the public to participate either through a computer, smart phone, or by calling in via a landline. In this Zoom Webinar format, all attendees, except panelists, will have their videos suspended and be muted unless specifically unmuted by the host. There will be two opportunities for public comment - at the start of this meeting and also at the end of this meeting. To provide public comment, please press the "raise hand" icon at the bottom of your screen and you will be called upon to speak. Once you are called upon, you need to unmute yourself. After stating your comment or question, you will be re-muted. Alternatively, you can use the QA function to type your question or comment and these will be read by the host during the public comment sessions. If you are calling in via a landline and have no access to computer or smart phone, you can call the CRA's main line at 617-492-6800, then press extension 11 to bypass the opening messages. Comments can also be emailed to planning@CambridgeRedevelopment.org.

The Board meeting materials can be found on the CRA's next meeting webpage. This meeting is being recorded by the CRA, including all video, audio and QA messages.

Call

Chair Kathleen Born called the virtual meeting. A roll call of Board members and their confirmation that the meeting was audible to them was taken. She noted that Conrad Crawford will be late tonight and Treasurer Chris Bator is not able to attend tonight.

Assistant Treasurer Barry Zevin - present
Assistant Secretary Margaret Drury – present

Ms. Born also identified CRA staff attendees with a roll call. Executive Director Tom Evans and staff members Alex Levering, Carlos Peralta, Ellen Shore, Erica Schwarz, and Hema Kailasam were present. As this is a remote meeting, all votes will be taken by roll call and responses will be repeated for the record by Mr. Evans. Ms. Born welcomed new CRA employee Fabiola Alipkokou. Mr. Evans said that Ms. Alipkokou started last Tuesday and remote onboarding has been taking place. She will be assisting staff on Kendall projects and data mapping.

Public Comment

James Williamson (logged in as Tom Paine) said that other arts organizations, in addition to the Dance Complex, are in need of funds for operations and capital improvements. He asked for an explanation of the eligibility criteria for the grant. He also inquired about the total cost of the elevator. Mr. Peralta explained that the grant to the Dance Complex was a continuation of their 2019 Forward Fund grant, in which they received funds for a technical feasibility study for a chair lift, not an elevator. The CRA has had a yearly grant program for nonprofits throughout the City for capital improvements. In 2019, grants for technical feasibility studies were added to the program. In 2020, the funds for the Forward Fund were allocated to Covid-19 small business relief. However, there were remaining funds for organizations that had completed their feasibility studies and were now looking for funds for capital improvements. There is a vetting process with a team of City and CRA staff that scores proposals. In

response to Mr. Williamson, Mr. Peralta said that capital improvements are for building owners or for long-term tenants who have agreements with their building owner. Mr. Peralta said that the total cost might be around \$75,000 but he wasn't certain.

Heather Hoffman renewed her objection to up-zoning for Boston Properties as a reward for creating a problem and graciously agreeing to help solve it as long as it didn't cost them anything and they can make money on it. This City has an imbalance between commercial property that is attracting high paid people to work in the city and the supply of housing. By adding another 800,000 square feet of commercial development, it is making it harder for people to stay in East Cambridge, the Port, Wellington-Harrington, Central Square, and other places that are convenient to where Boston Properties wants to put this new development. This is a tremendous detriment to those people who didn't cause this problem and a boost to those who did. This is a truly bad way to plan a city.

There were no other requests to offer public comment.

A motion was moved by Ms. Drury to close public comment. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Mr. Bator – absent

Ms. Born – yes

Mr. Crawford – absent

Ms. Drury – yes

Mr. Zevin – yes

The motion carried.

Minutes

1. Motion: To accept the minutes of the Regular Meeting of the Board on July 15, 2020

This item was skipped over, unintentionally.

Communications

2. August 5, 2020 Letter from the Dance Complex regarding the Forward Fund grant

Mr. Evans said that Mr. Williamson had mentioned this letter during public comment. It is a thank you letter from the Dance Complex for the capital grant that was awarded to them in furtherance of their original Forward Fund grant for their feasibility study. The Board will be updated as this project progresses. He added that staff is thinking about the future of the Forward Fund program for 2021 and beyond. Ideas will be brought to the Board.

3. Additional written communications received since the publication of the August meeting notice.

Mr. Evans spoke about a letter he received early this morning via email regarding the MXD agenda item. The topic of the letter relates to Boston Properties' proposal to eliminate home ownership in the residential project on Broadway. It is signed by a number of residents and/or owners at the 303 Third Street project in Kendall Square. The overall message is that since the mixed-use project at 303 Third Street is successful with owners and renters mixing and sharing amenities, this should be a component of the Boston Properties' residential project moving forward. There is a paragraph of concern regarding the project's delay in delivering housing. The letter asks that the Board insist that the building mix condominium and rental units and that a portion of the condo units be reserved for affordable housing purchasers. Any retail portion of this project should also be offered as retail condos due to the high cost of retail rental space in the city. Mr. Evans said that the letter was sent to the Board and will be posted in the handouts section of tonight's meeting webpage.

At 5:56 p.m., Mr. Crawford joined the meeting.

Ms. Born said that this letter would be factored in as comment when the terms of the MXD zoning are discussed. Mr. Evans said that the zoning language is being reviewed later in tonight's agenda.

Ms. Drury noted that the City Ordinance Committee is having its final meeting on the affordable housing overlay district. Some councilors want to have ground floor retail. This creates a difficulty for affordable housing projects because developers get no funding for retail for such projects. This could cut down on opportunities as existing funding streams do not provide funding for retail uses.

Ms. Born said that home ownership doesn't necessarily equate with the creation of a neighborhood. People without the means to buy can also create neighborhoods. In addition, there is no guarantee that investors wouldn't be buying up the expensive condominiums. She said that many of the homeownership units at 303 Third Street were purchased through an arrangement with MIT and many owners are retired or current MIT faculty. Although successful, this project was driven by common interests, unlike the project in question.

Ms. Shore asked for a motion to approve the minutes.

There were no amendments to the minutes.

A motion was moved by Ms. Drury to accept the minutes of the Regular Meeting of the Board on July 15, 2020 and place them on file. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - absent

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried.

A motion was moved by Ms. Drury to place the two communications on file. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - absent

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury – yes

Mr. Zevin – yes

The motion carried.

Reports, Motions, and Discussion Items

4. Alternative Substation Proposal and MXD Zoning Petition (Levering)

Ms. Levering said that two sets of materials were posted. The urban design studies, put together by Boston Properties (BXP) and Pickard Chilton architects, were presented first, followed by a discussion of revised draft MXD zoning language.

Ian Hatch, from BXP, presented the Master Plan vision. The objective of the presentation is to walk through the master plan vision and foster targeted discussions of several incremental studies that BXP has undertaken in response to key questions that have arisen from the public process over the last few months. Those focused on sunlight, general site configurations, and preliminary massing of the commercial and residential buildings that are part of this proposal. He spoke about the engagement timeline. The proposal has always been constrained by several competing external timelines. There are existing obligations to construct 135 Broadway and Eversource needs clarity on whether this site is a viable host for their infrastructure. BXP needs a decision from City Council by the end of the year, which requires CRA approval before that.

Tony Markese, Design Principal with Pickard Chilton, continued the presentation. This is a summation of a series of discussions, work sessions, and redevelopment of the planning for the massing and public space of this endeavor. Shifting the Eversource substation to the Blue Garage location presents difficulties as well as opportunities. The goal is to make something special. He believes that it makes sense to put more density near transit and in a location that has infrastructure to handle it. Removing the large concrete garage and transforming it into a welcoming space, with enhanced circulation to the surrounding areas, could provide a vibrant urban

space where there was none before. If the proposal progresses, there will be a rigorous public process. He showed a map of this new urban space among the nearby public spaces. He showed the pedestrian circulation paths with additional connections to the Sixth Street Connector. There was a slide showing the massing – two commercial buildings at 250' to the north, a residential tower at 400', a new Eversource electrical substation, and subgrade parking that will replace the blue garage.

Mr. Markese presented a preliminary shaping of the building forms to address views, sunlight and pedestrian access. This was followed by a series of studies for fine-grain detailing and refinement of the building masses. Putting the substation below grade creates an open space the size of a football field. Rather than having two commercial buildings of identical height, the building to the west could be taller with a smaller floor plate while the building to the east could have a larger floorplate, providing a lower building, stepping down to the GSA building on the other side of the connector. Angled facades are being considered to let sunlight in and open the space to the Sixth Street Connector. A study showed that, in all seasons, more daylight open space would be provided in the proposed master plan than with the approved MXD massing. Another slide showed the pedestrian circulation patterns. By angling and rotating the residential building, the residential building could relate to the Akamai building. Vertical vent components of the substation would be incorporated into the architecture, possibly with public terracing. There would be a stepped varied urban profile on Broadway and Binney Street. Siting the substation closer to Broadway would not provide adequate space for routing Eversource's conduits, nor would it provide enough room for an adequately sized residential tower.

Mr. Markese showed a series of sketches from various vantage points to give an idea of the opportunities and potential of the space. He emphasized that these are not final designs as there is a lot more work that needs to occur. The open space has a piazza feeling. Although the service drives still exist and provide access to the buildings, they are transformed to feel like they are folded into the urban experience. The residential building will have a front door on Broadway as well as an entrance onto the public space. The building will frame a portion of the view from Volpe to the new Binney Park. The building forms shown tonight are basic massings. There are lots of ways to articulate the two commercial buildings and the residential tower to make the space interesting.

Mr. Markese ended his presentation with the conceptual phasing of the project. First the Blue Garage would be demolished. This would be followed by excavation for the substation, the below grade parking, and all the cabling. The next phase would include the construction of the residential building, the open space, and the west commercial building. The final phase would include the demolition of 14CC, the subgrade parking for the east commercial building, and the building itself.

Ms. Drury said that it is great to see the space without the garage even without knowing the economics of the building. Mr. Hatch said that BXP is at a conceptual stage as they continue to work on the engineering with Eversource. BXP intends to share the cost of the project with the CRA and the City when the design is pinned down.

In response to Mr. Zevin, Mr. Hatch said that a vast majority of the cabling from the substation exiting to the north side (Binney Street) will be integrated into the garage structure. BXP is aware of the challenge to seamlessly integrate these. Chris Arnieri, from Eversource, confirmed that although the cables going to Binney are a lot smaller than the incoming cables from Broadway, there are many. Some would go in the service drives but most would go through the parking. Mr. Zevin asked whether the 15-foot depth of the cable spreading floor on the south side allowed for bicycle parking. Mr. Tilford spoke about the complex engineering challenges that BXP is studying and said that he would be amazed if bike parking could be feasible at that level. Mr. Zevin said the difficulty of bringing the residential structure down might mitigate against a number of the diagrams on page 38. He expressed a preference for the lower left picture that mirrors the 145 Broadway architecture. He said that connecting the two office buildings might be useful, so long as the service drives are not made into tunnels. He said that it might make sense to step down toward Binney rather than Volpe to allow more sunlight onto the apartment building at Sixth and Binney. He would like to see shadow diagrams for April and October since the temperature lags the solar equinox and one can still be outside during those months.

Mr. Crawford said that he appreciates the vision for an expanded open space and having an intentional plan to connect it to the wider network. It is important to continue looking at a reduced parking model and acceptable tradeoffs. He suggested that other district energy options, such as geothermal energy, be considered for solutions to serving the energy needs of the neighborhood. He thinks this is an ambitious but beautiful vision.

Mr. Zevin agreed that the architecture is compelling. He was leery about the ability to plant trees over the substation, which could change the character of the open space.

Ms. Born agreed that this is a built open space. Mr. Markese said that there are ways to make it an interesting space by creating overlooks and elevated pockets for planting trees. He added that it might be interesting not to make the substation completely invisible but to incorporate or highlight this engineering feat as part of the park. Ms. Born said that multi-level open space could be a design theme for Kendall Square. She spoke about Rockefeller Center in New York City. In response to Ms. Born, Mr. Markese said that the current thinking is that the two parking garages under the commercial buildings on Binney Street would eventually be linked when completed. This will need to be phased with a dividing wall that could be punched through. In response to Ms. Born, Mr. Hatch said that the underlying infrastructure is defining the character of the residential building. Ms. Born encouraged sleek, futuristic looking, interesting, and edgy buildings. In response to Ms. Born, Mr. Tilford said that BXP has invested in Kendall Square and see themselves staying in the area. Regarding the open space, BXP is committed to getting the public into this site.

In response to Ms. Drury, Mr. Hatch said that the height in the proposed MXD zoning amendments is 400 feet. Ms. Levering confirmed that it is now 350 feet. The Volpe zoning allows for one building to be 500 feet. Mr. Evans added that that building must be residential. Mr. Zevin started a discussion of the desirable features of the Echelon Seaport building. Ms. Born would like to see something edgier.

There were no other comments. At this time, Ms. Levering began a discussion of the zoning amendments that are required for this project. She spoke about the latest revisions made since the last version the Board has seen. She emphasized that this is still a draft. Staff is working to refine some sections with the City and BXP. The goal is to bring this to the CRA Board in September for a potential vote.

The first item is on page 6, section 14.32.1. This paragraph ties the 400,000 square-foot residential project to the use of any substation commercial GFA. That concept has been in the zoning document for a long time. However, a building permit specifically for construction of a residential project must now be issued prior to or concurrently with a building permit for any substation commercial GFA. In addition, the design review process for a residential project must be issued or underway prior to, or concurrently with, the design review process for any project using substation commercial GFA.

The next item is on page 7, section 14.32.2. This is a similar concept. The paragraph notes that the actual substation built by NSTAR electric company, doing business as Eversource, would need to be built prior to the issuance of a building permit for a substation project utilizing substation commercial GFA.

The next item on page 8, section 14.32.2.1, paragraph 9. This states that a new Infill Development Concept Plan (IDCP) must include a narrative describing compatibility with two documents - the Kendall Square final K2C2 planning study (K2C2 Guidelines), which was completed in 2013, as well as the Volpe Working Group's Planning and Design Principles (Volpe Guidelines) put together in 2017.

The next item is on page 12, section 14.32. 6, paragraph 3. The concept of this language hasn't changed. It clarifies that the substation GFA does not qualify for innovation space while at the same time confirming that the innovation space that is current planned for in the existing IDCP will continue to exist. That is the space that is currently provided by CIC and The Link: Kendall, together totaling 105,000 square feet.

The last item is on page 22, section 14.52.6. This section is a placeholder. The details are still under review with Boston Properties and the City. The general concept suggests the use of a holistic campus-wide bike parking approach that, along with standard bike parking facilities, would allow some alternative bike parking approaches.

In response to Mr. Zevin, Ms. Levering said that the term "personal micro mobility storage" is still being defined and could include skateboards or legal scooters. Mr. Zevin questioned whether issuance of a building permit as the right decision point. Mr. Evans said the commencement of construction had been the trigger but it was changed to align with the PUD process used by CDD because it's more controllable and a clear tangible line. Ms. Drury agrees with the building permit decision point.

In response to Ms. Drury, Ms. Levering said that, through this project, the amount of residential would be 420,000 square feet. Mr. Evans explained that there is a requirement for at least 400,000 square feet. In the MXD rewrite that the CRA did in 2015, the language said that one could build more housing in the other land use districts, up to 800,000 square feet. In the end, many of the use-by-use components were removed from the zoning but still live in the Urban Redevelopment Plan, which has more specific land use controls. The 600,000 mentioned in section 14.32.1 references the 400,000 from this project, in addition to the 200,000 that already exists (Proto at 88 Ames St.). There is also a 5% requirement of middle-income housing which is exempt from the GFA. This creates a circular math problem but gets the number to approximately 421,000 square feet, only 400,000 of which are actual GFA deductions. Residential balconies are also exempt. Mr. Tilford said that 135 Broadway designs have been showing balconies. Mr. Evans said that he would double-check the Urban Redevelopment Plan for any GFA confusion because there was more specific land use language in that document.

In response to Ms. Born, Mr. Evans said that the language components are almost complete, except for a solution that provides adequate bicycle parking within the project's geometric constraints. CRA staff is addressing this with the City and Boston Properties on district-wide flexibility. Staff will get the final language of both documents to the Board in the September meeting in order to go to City Council directly afterwards. The goal is to get this enacted by February so that Eversource has guidance on how to proceed with their state permits. Mr. Tilford said that Energy Facilities Siting Board (EFSB) filing has to take place after the zoning. To be successful, this needs to occur in Q1 of next year. That also assumes a master plan effort carried out simultaneously by the CRA and the Planning Board. Optimally, there would be zoning and a master plan, followed by the EFSB filing. This timing has been conveyed to CDD. Given the hard deadline, Mr. Evans said that time does not allow for a multiple filing process. The CRA's goal is to provide City leadership with an option to decide if the substation will be located at this site or at Fulkerson Street.

At 7:42 p.m., Ms. Born called a 10-minute recess. The meeting will reconvene at 7:52 p.m.

Mr. Evans said that some members of Boston Properties and Ms. Levering will be leaving this meeting to attend a community meeting at 8:00 p.m. related to this project with Linden Park residents and Eversource.

5. Design Review Update

Motion: To accept the notes of the Design Review Committee meeting of August 5, 2020

Motion: To approve the Sweetgreen retail signage proposal located at 145 Broadway within Parcel 2 of the KSURP area.

Mr. Peralta introduced Jamie McGlinchey from Sweetgreen and Ryan Welch from O'Neil Langan Architects who presented a signage proposal for the 145 Broadway location. Mr. Peralta said that this proposal was reviewed by the Design Review Committee on August 5. There were no major requests made other than to provide staff with more information regarding the vinyl treatments to be used for the south facing window where a restroom is planned to be located.

Mr. Welch provided a map showing the store space at the corner of Galileo and Broadway. He gave details of the sign components that will be placed at the entrance on each of these streets. He also spoke about the proposed blade sign. He explained that the south facing window where a restroom is to be located would have a frosted film without a logo or lettering.

Ms. Born said that she and Mr. Zevin were part of the design review meeting, in addition to CDD and Planning Board representatives. She understands that certain decisions were made to get the project done expeditiously and she would recommend approval of the proposal. Mr. Zevin agreed and did not add any other comments.

A motion was moved by Mr. Zevin to accept the notes of the Design Review Committee meeting of August 5, 2020 and place them on file. A roll call was taken by Mr. Evans, upon which he repeated each member's vote.

Ms. Bator - absent

Ms. Born – yes

Mr. Crawford – yes

*Mr. Zevin – yes
Ms. Drury – yes
The motion carried.*

A motion was moved by Ms. Drury to approve the Sweetgreen retail signage proposal located at 145 Broadway within Parcel 2 of the KSURP area. A roll call was taken by Mr. Evans, upon which he repeated each member’s vote.

***Ms. Bator - absent
Ms. Born – yes
Mr. Crawford – yes
Ms. Drury – yes
Mr. Zevin – yes
The motion carried.***

Board members welcomed Sweetgreen to the area.

6. Discussion: Building Identification Signage Proposal

Motion: To approve the building address identification marker signage requested by ThermoFisher Scientific at 250 Binney Street, Parcel 2 of the KSURP area.

Mr. Evans said that there are actually two signage proposals, both providing identification lettering for buildings.

The first project is for a large “250” to be placed above the Thermo Fisher signage at 250 Binney Street, as shown in his presentation. He noted that the Thermo Fisher sign in the picture was previously approved by the Board for Biogen, then Brammer, and finally Thermo Fisher. Additional signs in the proposal could be approved administratively but this number sign is bigger. He said that staff has no issues and recommends approval.

The second building identification sign that was brought to staff is for the Akamai building at 145 Broadway. This set of numbers is large. The orange monument and numbers differ from what was shown in the schematic design and the original signage proposal for this building. In addition, the proposed location is unusually high for street number identification signage. Staff would like Boston Properties to explore other options that meet the fire department’s desire for additional building identification; therefore, staff does not recommend approval.

Although not viewable in the presentation, Mr. Zevin said that the existing 145 Broadway lettering under the Akamai logo should remain, especially since removing it might damage the terracotta. Mr. Zevin agreed that any numbering that is 25 feet above ground is the last place one would look for an address. There was a discussion about the current lettering.

Mike O’Hearn, from Boston Properties, clarified that per his request, Thermo Fisher will be placing the 250 numbering on the Binney Street side of the same corner. Mr. Zevin had no issues with this change.

Mike Tilford, the project manager for 145 Broadway, said that he understood the comments.

A motion was moved by Ms. Drury to approve the building address identification marker signage requested by ThermoFisher Scientific at 250 Binney Street, Parcel 2 of the KSURP area, amended to be located on Binney Street. A roll call was taken by Mr. Evans, upon which he repeated each member’s vote.

***Ms. Bator - absent
Ms. Born – yes
Mr. Crawford – yes
Ms. Drury – yes
Mr. Zevin – yes
The motion carried.***

7. 93-99 Bishop Allen Renovation Update

Ms. Schwarz walked through a presentation. She explained that this is an update and plans to come to the Board next month to finalize the scope and budget for the project. Staff has been weighing costs and information received from the architects. Although the plan was to make the building solar-ready, discussions have recently occurred to evaluate the cost and operations budget for installing a solar system now, as part of the project. She added that an all-electric HVAC system could be installed without any additional cost to the project budget. This would be a split system that would cover heating and air conditioning. The spaces currently used for the gas boilers and boiler rooms could be made smaller while still accommodating the hot water heater and other equipment. Looking at the site map, the A/C condenser(s) would be located between the CRA building and the St. Paul AME Church, along with trash and recycling barrels which can be taken to the street via the alleyway between the buildings. There are eight official parking spaces, and a ninth space within the courtyard that is currently used by a tenant. The loss of the courtyard parking space affects the building's income. She pointed out the main entryway on the 99 side of the building, which can be accessed via stairs or a ramp. There is another egress on Bishop Allen and one in the courtyard.

The next slide showed a picture of the renovated building. Since a lot of work would be needed to replace the vinyl siding and rot located on the dormer, dormer window replacement makes sense. Looking at a view from Essex Street, Ms. Schwarz said that designs regarding other elements, such as downspouts, have not been determined. An egress door with an unused staircase would be converted to look like the glazed larger windows at the entrance of the building. There will be a rear courtyard with bike parking for employees. There is bike storage for public use on the side of the building. Landscaping the courtyard might move to the scope of the property manager rather than be included in the building renovation. She added that 100% of the building's masonry will be repointed and repaired. Ms. Schwarz emphasized that investing now would reduce disruptions to the tenants and reduce staff time spent on future enhancement projects; this has informed many of the design decisions. She noted that the double-hung windows on the lower levels need to be repaired at a cost of \$18,000. Whether to fully replace them all for \$185,000 is another decision to be made.

The interior features a tiled lobby with an open sight line to the shared kitchenette/lounge and to the back of the building, which has a window that overlooks the courtyard. To the right of the lobby is a shared conference room that is partially visible. The design strives to make spaces open and bright. There will be a new larger elevator in the existing elevator shaft. The existing wooden stairs to the 2nd floor would be retained but retrofitted to become code compliant. The architects are highlighting the brick as much as possible. They are also analyzing the integrity of the load-bearing walls to determine whether any of the interior walls along the staircase could be opened up. The first floor has the largest conference room which will most likely need frosted glass to give it some privacy but still allow light to filter through. There are no shared spaces on the second floor as that is totally occupied by BARCC. There is a third-floor kitchen/lounge that faces the courtyard.

When the building was bought in October, the initial analysis estimated a renovation cost of two million dollars. That analysis was based on discrete and narrow renovation and replacement costs. It didn't take into account the comprehensive work that would be needed, for example, to make the elevator accessible to all tenants. The architects Silverman Trykowski Associates and owner's property managers STV calculated a construction cost of four million dollars. However, the first cost estimate done a few months later was over six million dollars. Thoughtful analysis has brought that down a bit. However, the non-construction costs for consultants and lawyers are around two million dollars. Ms. Schwarz has applied for an historic preservation grant for \$300,000, which would be decided in September. Ms. Schwarz added that the CRA would be giving this building its next life for many decades.

In response to Ms. Drury, Mr. Evans said that the range is five to six million dollars for construction costs. He added that the design team is looking at value engineering options but other elements might cost more. There are conversations with some tenants regarding the scope of ownership of some improvements. With the circulation requirements for accessing the elevator and the heating issues, the scope of the renovation increased as the "guts" of the building needed to be addressed much more than what was initially expected. The switch to electric heating will save some money.

Ms. Born was pleased with the architect's work. She understands that the decisions have been made in an informed fashion. She is anxious for the project to get going. Mr. Zevin agreed and said that the Cambridge Historical Commission has been extraordinarily reasonable and helpful.

Mr. Evans asked for the sense of the Board on full window replacement on the lower levels, which could cost an additional \$150,000 to \$200,000. He clarified that due to all the other work occurring on the dormer, replacing all the dormer windows was already decided. In response to Ms. Drury, Ms. Schwarz said that the windows in question are decent from an energy standpoint if there is \$18,000 of investment to fix them. Ms. Born said they are builder windows that do not meet the level of energy efficiency that would be considered if these were replaced. There was a discussion of the original window types. Mr. Zevin said that replacing windows is also disruptive to the tenants and to the finish of the surfaces around the windows. Mr. Zevin agreed that it might make sense to do it all now. Ms. Born agreed.

Mr. Evans said that a bid would go out in October.

8. Monthly Staff Program and Financial Report

Mr. Evans summarized the Staff report, mentioning new hire Ms. Alikpokou and listing agenda items on the Board's upcoming meeting. Ms. Kailasam updated the stats on the CRA loan program. To date, \$1,800,000 has been disbursed to 81 of the 104 applicants. She is working with the other applicants. Mr. Evans highlighted the special permits received for the Foundry from the Planning Board, the vertical construction progress at 325 Main Street, continued work on the 325 Main Street Wayfinding and Art Master Plan, and the progress with the Margaret Fuller Neighborhood House project.

Ms. Kailasam said that the financial committee met and allocated the full 30% to the equities. The rebound in the stock market in the last eight weeks has boosted the CRA's investment portfolio. However, many analysts believe that the current zero-rate environment will last for some time. Given that 70% of CRA money is invested in fixed income instruments, options need to be weighed for earning income from these investments. Fortunately, the stocks now held by the CRA have a dividend yield of 2.5%. Given this new world, it makes sense to start discussions regarding the investment portfolio. Regarding the budget, the CRA is on track.

Mr. Evans noted that the graphs in the report are skewed due to two large expenditures – the two million payment to the City for the Foundry design work per the cooperation agreement, and the money that has gone into the small business programs.

In response to Ms. Born, Ms. Kailasam said that the CRA will be discussing options with its wealth management advisor to increase the income from investments, as the CRA strives to "live off" this income. Ms. Kailasam noted that both advisors have come before the Board this year for their annual reports. The money invested with Cambridge Trust Wealth Management for KSTEP and the Foundry is committed for disbursement and needs a different strategy than the money invested with the US Bank/Morgan Stanley partnership. Ms. Born suggested that Ms. Kailasam report back to the Board after a discussion with David Javaheri at Morgan Stanley. Mr. Evans said the Mr. Bator is aware of this issue. This might require the Board to look at the investment thresholds stated in the CRA Internal Control Policy. Mr. Evans said that there will be a need for some budget adjustments to come before the Board.

Additional Public Comment

There were no requests to comment.

Adjournment of CRA Board Meeting

A motion to adjourn the meeting was moved by Mr. Crawford. The meeting was adjourned to 8:48 p.m.