

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, July 14, 2021 at 5:30pm
Due to the COVID-19 pandemic, this meeting was held virtually via Zoom

APPROVED Minutes

This CRA Board meeting is being held remotely via Zoom webinar in accordance with Section 20 of Chapter 20 of the Acts of 2021, signed into law by Governor Baker on June 16, 2021, which extended provisions to the open meeting law.

In this webinar format, all attendees, except panelists, will have their videos suspended and be muted unless specifically unmuted by the host. There will be opportunities for public comment at the start of this meeting and at the discretion of the Chair. 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 on, you will need to press unmute. You may also identify yourself but you are not required to do so. After stating your comment or question, you will be re-muted. Alternatively, you can use the Q&A function to type a question or comment. If you are calling in via phone and have no access to a computer or smart phone, you can call the CRA’s main line at 617-492-6800, extension 11 to bypass the opening messages or you can email Planning@CambridgeRedevelopment.org.

Board meeting materials can be found on the CRA’s next meeting webpage.

This meeting is being recorded, including all video, audio, and QA messages.

Call Roll

Chair Kathleen Born called the meeting at 5:33 p.m.

Ms. Born called the roll of Board members and repeated each response.

Vice Chair Conrad Crawford - present
Treasurer Christopher Bator – present
Asst. Treasurer Barry Zevin - present
Asst. Secretary Margaret Drury - present

Also present are Executive Director Tom Evans and staff members.

All votes will be taken by roll call and Mr. Evans will repeat the response of each member.

Public Comment

Bob Slimha, representing the East Cambridge Planning Team (ECPT), spoke about the letter ECPT submitted to the CRA with respect to the MXD project. He asked that the CRA review the comments and suggestions for improvements to the project. He spoke about three of items in the letter. The intake facility is out-of-scale and inappropriate. Please consider a more friendly and comfortable scale of the open space as it is important to the project. The open space needs more than furniture; he suggested a modest commercial facility such as a café. The open space is a principal resource for the 400 people that will live in the adjacent residential building. The ECPT applauds the provision for access to free public transportation. Please encourage the developer to be even more generous in order to limit the impact of parking on the area. With the increase in population using public transportation, please review the existing Red Line station and consider opening a portal on the western end. There are other items mentioned in the letter.

Adria Katz, interim managing director of the Multicultural Art Center, thanked the CRA Board for a 2021 CRA Forward Fund Grant. The grant will be used to purchase and install LED lights in their theater which will decrease the carbon footprint and operational costs. She added that this complements an Eversource grant for LED office lights.

Heather Hoffman said that she agreed with Mr. Simha's comments. She noted the late communication from the East Cambridge Open Space Trust. She invited everyone to visit the O'Connell Branch Library, although the park is not finished. It's been a bumpy 19 years getting to this point and she thanked the CRA for the moral and financial support.

There were no other requests for comment.

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

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Minutes

1. Motion: To accept the minutes of the Regular Meeting of the Board on June 16, 2021

There were no amendments or corrections offered.

A motion was made by Ms. Drury to place the minutes on file. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously

Communications

2. March 30, 2021 Letter from MIT to the CRA regarding streetscape design and CRA Staff Response

Mr. Evans confirmed that the staff response was sent on Wednesday or Thursday of last week. He said the letter from MIT contained responses to a town hall meeting that was held in late spring. The CRA has had a series of meetings with bike, transit, and pedestrian committees, with property owners along each of the streets, and with MIT staff and their transportation consultants. The street design concepts for Third Street have stabilized with the exception of shifting some parking and certain turning movement nuances. The same is true for Broadway although there are some technical issues regarding the intersections of future Volpe access roads and improving the pedestrian-cyclist experiences on the south side which crosses numerous driveways.

Some improvements have already been made to the south side of the Broadway design since the publication of the designs and the receipt of the MIT letter. The sidewalk width and cycle track space still need to be worked out between the CRA, the City, and MIT. That design will be reflected in their PUD application which goes before the Planning Board next week. The most ongoing conversation in the streetscape design is about Main Street. Originally, a quick-build intervention was planned to catch up with the construction on both sides of the street but getting a concept to implement this year was unsuccessful. Moving forward, CRA staff energy will now focus on an intermediate-to-long-term design plan. There are currently three alternatives but none of these have been unanimously supported. MIT cited issues with the raised side-running bike lanes next to the sidewalk. A center bike lane concept had other issues and was not well received in the community process. The third alternative, a

shared street concept, faces a challenge from City staff as they favor a fully separated protected cycling facility. In the end, the CRA work is designed to come up with concepts to a 10% process and then work with the City and the developers on finalizing the design and bringing the projects towards construction.

Mr. Zevin said that the City needs to be talked out of its insistence of through bike lanes everywhere. East-west bike lanes on Broadway and Memorial Drive are not far away. Having bike lanes on the sidewalks create unnecessary conflicts between people getting onto buses and coming out of subway entrances. That block should be a destination, not a through route. Anything other than walking one's bike or winding up on a shared street that miraculously accommodates everything is crazy. He added that the MIT letter insisted on pickup and drop off traffic. He has observed a lot of chaos in Kendall during the early evenings; those people need to be accommodated or have restaurants identify places for pickup drivers to stop. Mr. Crawford agreed that takeout from Main Street is tough. There is also a lot of truck traffic coming through that area. Quantifying and analyzing this by hour would help determine what circulation is needed. Mr. Zevin said that very large trucks regularly make deliveries from the travel lanes, forcing traffic to go around them. Mr. Crawford said that analysis is also needed along First Street into Kendall. It is possible that this traffic is due to construction and would eventually disappear. Ms. Born said that this is not the place for takeout restaurants but is more appropriate for sit down restaurants as there are a lot of people walking around the area. Parking for ten minutes is just not feasible in this area. Mr. Crawford agreed that it is not a good use of urban space.

Mr. Evans said that the next step to get to a 10% design is to clean up the three options. In agreement with Mr. Crawford, it would be wise to gather some more data regarding the traffic on Main Street once the world reopens and construction is over. The city does have a timeframe under the Cycle Safety ordinance in which progress needs to be made on certain thoroughfares, including Main Street. There are smaller interventions that could be done sooner than later, such as widening the sidewalk near Galaxy Park and Broadway to clear up the intersection and provide more pedestrian space. Third Street, Broadway and Binney are slated to be pursued by MIT as they implement Voipe. CRA staff will continue to explore the issue. The traffic analysis and report still need to be finalized and a set of deliverables from Sasaki is expected sometime in the fall.

Mr. Zevin urged Mr. Evans to push back on the City on the last block of Main Street being part of their normal bicycle regime. It doesn't make sense as there is too much pedestrian and bus movement across anything except a center bike lane. Ms. Born said that she envisions that block of Main Street as a new public space. Occasionally, traffic will back up on Main Street but most of the time, it is easy to walk across Main Street in the large crosswalk. If a cycle track is built in the middle, it will need to be protected on either side and it will not feel like a shared space any more. This is doubly important because of the open spaces the CRA has helped to improve with the 325 Main Street project. It is adjacent to the roof garden, the plaza and to a major public space that MIT has just built. This is ideal for a public space. The block is more than a thoroughfare; it should be designed as a major urban space. Mr. Zevin said that it is a major bus terminal which complicates that goal. Mr. Crawford said that Mr. Simha's suggestion for a western Red Line headhouse is intriguing. Mr. Zevin felt that the cost and disruption would be disproportionate to the benefit. Mr. Evans spoke about issues with lengthening MBTA platforms.

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

Mr. Evans noted three correspondences that came in today, two of which were referenced in the public comment section of tonight's meeting –the letter from the East Cambridge Planning Team regarding the MXD Substation and the letter from the East Cambridge Open Space Trust regarding the O'Connell Library open space. Ms. Born said that the last communication, a letter from Haley & Aldrich regarding soil testing at 99 Bishop Allen Drive, would be discussed with the Bishop Allen agenda item #6.

A motion was moved by Ms. Drury to close the Communications section and place the three communications on file. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Reports, Motions, and Discussion Items

4. Monthly Staff Report

Mr. Evans spoke about the many RFPs that have been posted. One is for an insurance advisor who can assess risk and provide advice as CRA real estate holdings get more complicated. This is different from an insurance broker who sells insurance. A second RFP is for expertise in real estate consulting and possible brokerage assistance as the contracts with HRA and Columbia are ending. A third RFP was issued to advertise for additional tenants at Bishop Allen since a couple of spaces have become available. A fourth RFP is searching for land to help the CRA meet its affordable home ownership obligation. Although this may not be the most effective way to find available land, it is the first step. If no satisfactory solution is found, there is more flexibility with the state process to seek out land. Although work with the Margaret Fuller Neighborhood is moving optimistically forward, the parking lot will not satisfy all of the homeownership obligations which is why the land RFP was issued to get underway within the next five years. The last RFP is for a mover to move tenants out of storage and swing space back into the Bishop Allen building. Staff was advised to issue two separate RFPs (one for each direction) since prices fluctuate.

Roselli and Clark are conducting work on the 2020 CRA audit and their report is expected for the October CRA Board meeting. With respect to the Forward Calendar, there is some work expected to expand the contract and enter into an MOU with Boston Properties around improvements to Danny Lewin Park. Staff was separately looking into improvements to the park but since it can now function as mitigation for construction across the street, it has been bumped up to a higher priority. There will be an Infill Development Concept Plan joint meeting with the Planning Board in August or September. A budget amendment and a personnel policy update will be brought to the Board. Mr. Evans does not anticipate an August Board meeting unless there are surprises with the 99 Bishop Allen building.

Other work includes transitioning the dog park at Third & Binney back from the City, discussions with the Broad on their new museum concept for Main Street, progress on the 325 Main Street building, another round of Forward Fund grants for capital projects at the end-of-September, and discussions with the City, some Link tenants, the KSA, and MIT on workforce development and the results of the report that was published at the end of June.

Starting next week, music is coming to Galaxy Park for midday and early evening performances. Mr. Crawford noted that he is happy to see life back on the streets again. Mr. Evans said that he hopes to bring food trucks and beer garden events in September to welcome people back.

Hema Kailasam, Director of Finance, gave a report on the CRA's finances. She said that May revenue has been primarily from the investment portfolio. Through the month of May, investment income has been a little over \$1.2 million. Including operational revenue, the total revenue was \$1.325 million through the month of May. Operational expenses continue to be in line with expectations with one surprise. The CRA's size in the Cambridge Retirement System increased from 0.19% to 0.29%, and therefore, the contribution increased to \$156,000 for the coming fiscal year which is up from \$92,000 in 2020. This is due to the increase in CRA staff as well as the increase in appropriation for the entire City. With total expenses through the month of May at \$2.8 million, the cumulative deficit for the CRA through May was \$1.5 million.

In the month of May, the CRA made the \$200,000 contribution to the coordinated small business relief grant program with the City. This program gave out \$600,000 in total. Ms. Kailasm and Carlos Peralta worked with City staff to allocate the grants. In June, grant recipients were notified and their checks were disbursed by the City.

In May, the KSTEP Cambridge Savings Bank account was closed and funds were transferred to US Bank where Morgan Stanley is managing those funds with the same strategy as the main CRA investment account (70% fixed income and 30% equities).

A meeting is scheduled on August 11 with the Treasurer and Assistant Treasurer for an update on the June portfolio, budget amendments, and changes in the personnel policy.

A motion was moved by Ms. Drury to put the monthly staff and financial Report on file. A roll call was taken by Mr. Evans and each member's vote was repeated.

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

5. Strategic Planning Update

Kathryn Madden said that staff have been meeting every two weeks. Now that this draft document is available, the next steps are to have one-on-one meetings with each Board member. She explained that the Board would set the vision and priorities. The Board might also want to modify the mission statement. Ultimately, this document will become a report that can be referenced, like the last strategic plan document. Ms. Madden expects that the vision and mission would be discussed as a group at the September Board meeting. The Strategic Advisory Group (SAG) would offer feedback and advice on priorities and implementation. Ms. Madden agreed with Ms. Born in that this document should be labeled as an outline rather than a draft. Mr. Bator said that he sees this as a picture of where the discussion is now. He likes what he sees in the outline and expects further refinement to be emphasized by the Board.

Ms. Born liked the description of the financial strategies noted on page 27. Ms. Madden said those were created by Mr. Evans. She added that determining the strategy is the “meat” of the Board’s input on how to use CRA funds. Mr. Bator said that he was pleased to see the attempt to articulate criteria to examine new possible ventures so that the CRA is not deciding in a vacuum but looking at new projects in the context of the strategic plan and other current projects. Ms. Madden said that it is important to build a culture for staff to be out in the community looking for new projects. A memo report on a potential project would help to think through and evaluate the effort before a lot of money is spent. Mr. Bator agreed that, in some cases, a potential project might be interesting but so complicated that money needs to be spent to analyze it in more depth to evaluate whether it is realistic to proceed.

Ms. Madden spoke about the high points of the Strategic Plan Outline. A slide showed the existing conditions in 2014 and the transformation that has taken place over the last seven years. The 2014 vision was appropriate at the time and she expects that it will be updated in the new strategic plan. The CRA staff has grown from two people in 2014 to eight people. CRA projects have become more complicated; the staff and systems are at capacity. Mr. Bator finds it reasonable that the staff could double in another five years. While the 2014 mission statement contains many important ideas, it seems too lengthy. The current staff wasn’t involved in the 2014 process so it has been a helpful experience. In 2014, there was a process to select future projects but as projects are getting more complicated, more formal review is necessary. The operating principles of 2014 are still valid. With an increase in staff, more systems are needed to help track the work and functions.

Ms. Madden said that staff have been discussing a strategic plan framework that includes four elements – external activities and projects, internal operations, outreach and learning, and financial considerations. She spoke in more detail about these elements, which are outlined in the document in the Board packet. She expects these to be edited with the Board’s feedback. Staff has done training on diversity, equity, and inclusion (DEI) and those goals permeate the discussion of who the CRA is and what makes the CRA special. Economic development, community development, civic life, and stewardship are themes throughout work of the CRA. She showed a chart of the current work. Some work has a start and end but much of the work and responsibility is ongoing. The big question is what the CRA will do in the future. Ms. Madden explained that the SAG will be a temporary body, for now, and will play an advisory role to the Executive Director. There will be a more formal process to initiate projects or programs. With respect to initial operations, Ms. Madden said that staff discussed the need for key staff positions to fill out the team rather than continually procuring contractors. As staff grows, a more sophisticated human resources solution could be warranted. New software is also needed to track and manage all the projects, contacts, contracts, and financial management of more complex projects. The CRA policies need to address DEI whenever possible. The CRA works with and learns from many partners. Growing these relationships with outreach and communication is very important. More robust management and financial systems will be needed to track the various projects. Potential projects might need “runway” money for analysis before they are approved. Board feedback is necessary to discuss the four financial strategies noted on page 27. There needs to be a balance between solving today’s issues which spend down resources and a plan for the future when income could be limited.

Mr. Bator said that this will be and should be an ongoing discussion for the Board. CRA money is available to do wonderful things in Cambridge but it should also be preserved to give the CRA the ability to continue to do wonderful things in Cambridge. Ms. Madden noted that ongoing obligations need to be considered.

Ms. Madden reiterated that the next steps are having the individual Board member conversations. Discussions regarding the vision, mission, and the financial scenarios would occur at future Board meetings. If the Board doesn't object to the SAG, the outreach and application process could begin immediately. Staff would also reach out to strategic partners to get additional input. In the fall or winter, a plan would be written. Mr. Evans said that certain areas of the internal operations are already being addressed for improvement.

Mr. Bator said an updated strategic plan will further the CRA's ability to stand strong in light of public debate and political conversations. A lot of thought has been put into who the CRA is and what it does. Doing anything needs to fit within this context.

Mr. Bator responded to a comment in the chat that asked if ".....part of your mission / vision [is] inclusive of the arts and cultural scene in Cambridge? If so, what are some things you all have currently in place that serves this community?" Mr. Bator pointed out that, in principle, the arts do not fall within the realm of a redevelopment authority. However, the CRA is paying attention to redevelopment, development, and investment that affect the arts in Cambridge via the Foundry, Forward Fund grants, and funding of a variety of other artistic endeavors. Mr. Crawford added that during tonight's public comment, the interim Managing Director of the Multicultural Arts Center thanked the CRA for its help with the operational integrity of the facility. Mr. Evans added that the CRA is in the business of building spaces and places for things to happen so while it might not be directly funding programs, it has provided funding for those places through the Forward Fund. Initially, the Forward Fund had a heavy art focus but it pivoted to capital funding for building improvements. The Foundry was undertaken specifically to provide spaces as these were being lost due to the commercial development in Kendall Square. The CRA has also collaborated in STEAM initiatives with the City. The CRA has explored arts as a placemaking component in Kendall Square as well as investing in the murals in Central Square. It may not be predominant but it is a component of this 21st century redevelopment authority. Mr. Evans said that the CRA's design review of commercial projects in Kendall Square is pushing its development partners to include a public art agenda to enliven and add to the placemaking appeal of the area; this should roll out next summer.

Mr. Evans asked for a sense of the Board on moving forward with a call for applications to the SAG. Mr. Bator said that having this group makes perfect sense and is appropriate to advise the Executive Director. He is concerned that as the number and complexity of projects grow, the small size of the Board will be felt. It would be nice for the Board to be able to get additional advice that represents expertise in the broad community. Otherwise, the consultant budget will be extraordinarily high. He wondered if the SAG might be used as a seeding ground for possible future Board members or for people who might serve on a subcommittee on a particular subject. Mr. Evans agreed that this SAG pilot program could function in those ways. He noted that the City Manager and Council have the role of selecting CRA Board members. Ms. Drury said that structural issues should be discussed with legal counsel.

Ms. Born said that the Strategic Advisory Group could fill many functions. Tapping into the expertise in our community is significant. Ms. Born liked that there was an explicit tenure. Ms. Madden added that community expertise is as important as professional expertise.

6. 99 Bishop Allen Drive – Construction Update

Motion: Authorizing the Executive Director and Chair to amend the contract with Haley & Aldrich for and additional five thousand and six hundred dollars (\$5,600) for a total amount not to exceed eleven thousand and two hundred dollars (\$11,200) to the installation and testing of a groundwater monitoring well.

Motion: Authorizing the Executive Director and Chair to approve Change Order Number Five for the Bishop Allen Renovation Project for an additional sixty-six thousand dollars (\$66,000) to perform additional electrical systems upgrades.

Motion: Authorizing the Chair to enter into new office lease agreements with the current tenants of 99 Bishop Allen Drive in the format substantially presented to the Board for terms ranging from three to five years and variable rent rates depending on floor.

Erica Schwarz showed some recent photos of the building – preparation for the new window in the rear exterior, roof work on Essex Street, dry-wall and door framing, and the first-floor space that will now be tenant space rather than a meeting room.

She gave an overview of the document in the Board packet. Work is moving forward on furniture selection for common areas. Selection of the solar roofing installer is expected to come before the Board in September. The application for the Massachusetts SMART program will soon be submitted to lock in the incentive level benefit which drops later this year. The federal tax break program drops after 2022 so there is more time for that program.

The elevator delivery date has been determined making the final completion date November 8. That date will be written in the contract with GVW with a \$2,500 per day late fee. There was no additional fee due to the delay. Leases will start November 15, which allows a week to move tenants back into the building.

Ms. Schwarz said that last month, the CRA Board approved a change order for electrical works for the fire alarm system. Change order #5, before the Board tonight, is also an electrical scope change. Once the walls were opened, it became evident that the electrical work for the entire building needed to be fully replaced and updated. The change order is for \$57,000 plus an additional \$9,000 that should have been included in the previous change order for the fire alarm electrical scope which was still being reviewed at the time of the June Board meeting.

Another change order (#6) is coming but since it is expected to be less than the \$25,000 threshold for Board approval, Mr. Evans is authorized to sign it. Change order #6 includes the use of a second elevator crane-pick to speed up installation by two weeks, and the abatement of asbestos related to the removal of the elevator penthouse. The change order also includes a credit for a scope change along Essex Street which extends the sidewalk to the building rather than having a low retaining wall and planting area. The change order also locks in the new timeline with GVW.

The good news is that the project is anticipated to be completed within budget. Ms. Schwarz expects there to be enough contingency available and she is hopeful that contingencies are not fully extended. Exhibit B of the memo includes a project summary page. If change order #5 is approved tonight, the sum total of contingencies spent will be \$352,000. There is \$422,000 of contingencies remaining. Another change order is expected to address the brick façade which is separating from the building, with a two-inch gap in some places. Analysis is being done now on how to maintain the façade; fixing this could cost about \$25,000. STV and STA are being very critical when changes are proposed.

Ms. Schwarz then gave a summary of the oil tank situation. The Board packet contains a letter from Haley and Aldrich and she noted the late-arriving letter that explains the potential next steps. The oil tank was removed over June 21 and June 22 and initial testing indicated levels were below the threshold needed to report. However, a certified soil test conducted during the following week showed levels above the threshold. Haley and Aldrich are proposing that more testing be done on the soil, as well as the ground water and the air in the building to decide what kind of reporting is needed. If those levels remain high, there could be difficult choices to remediate the situation. The motion tonight proposes to allow Haley and Aldrich to move forward with the additional testing and allows for a total contract that is higher to cover any additional testing.

The last motion is about leasing. TSNE has been moving tenant lease conversations forward based on term sheets that all tenants signed several months ago. The Board packet memo shows that \$640,000 is the expected income every year with annual expenses at \$500,000. The net income will be put into a capital reserve. There is a sample lease in the Board packet memo.

Ms. Born began a discussion about the brick façade. Tim MacKay, from STV, explained their structural consultant's proposal for the most cost-effective solution that maintains the historical and structural integrity of the façade. In response to Ms. Born, he said that the historical commission has done a series of visits. They have reviewed the brick, mortar, and lintels samples. They have also seen mock-ups. Since this issue came after

Cambridge Historical Commission Executive Director Charlie Sullivan's full approval. Mr. MacKay will reach out to Mr. Sullivan regarding the proposal to fix the façade.

A motion, moved by Mr. Zevin, authorizing the Executive Director and Chair to amend the contract with Haley & Aldrich for an additional five thousand and six hundred dollars (\$5,600) for a total amount not to exceed eleven thousand and two hundred dollars (\$11,200) for the installation and testing of a groundwater monitoring well. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

A motion, moved by Mr. Zevin, authorizing the Executive Director and Chair to approve Change Order Number Five for the Bishop Allen Renovation Project for an additional sixty-six thousand dollars (\$66,000) to perform additional electrical systems upgrades. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Mr. Evans confirmed that the rents are dependent on the floor level. The first floor has higher ceilings.

A motion, moved by Ms. Drury, authorizing the Chair to enter into new office lease agreements with the current tenants of 99 Bishop Allen Drive in the format substantially presented to the Board for terms ranging from three to five years and variable rent rates depending on floor. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Mr. Evans said that half of the leases are ready to be executed, the other leases are making good progress. BARCC is shrinking its planned footprint so additional space needs to be rented out.

7. Foundry Update

Motion: Approving an amendment to the Memorandum of Understanding with the Foundry Consortium adjusting the project time frame and deliverables.

Erica Schwarz said that she emailed an updated Memorandum of Understanding (MOU) which she will be discussing tonight. This MOU will define the obligations of the Foundry Consortium (FC) and the CRA from now until the lease is finalized. This depends on items that the FC needs to put in place or better define. The lease will supersede the MOU. The goal is to get the MOU signed as soon as possible, in particular, before August 2nd which is the official start date for the new FC Executive Director, Diana Navarrete-Rackaukas.

The CRA's obligations include purchasing all the furnishings, fixtures, and equipment that are not covered in the City's base building project. Several months ago, the CRA approved spending up to \$500,000. The CRA will be using the same entity, Point Line Space, that the City is using for their FF&E purchases. Mr. Evans added that the funds being used for this came from the interest income generated from the investment portfolio. Another CRA

obligation is pre-opening financial support, which was carried over from the former MOU. The only thing that has changed is the timing. The CRA had allocated \$200,000 during 2020 to support start-up needs for the FC, specifically around personnel. About \$40,000 of this was used for the executive search firm. The remaining \$160,000 will be paid out to the FC in four payments over the next year to primarily support the Executive Director's salary and related expenses. The next obligation is pre-opening workspace. The CRA will cover the cost and hold the license for a seat at the Link for the Executive Director until she can move into the Foundry building. The CRA will be leasing all the office space, collecting rent, and passing a portion of it to the FC to run the building. A portion will also be set aside in a capital reserve fund and possibly used to augment the operating reserve fund. The CRA is obligated to facilitate connections between the FC and the City before the building is done in order to prepare the FC with knowledge and training for their property management function once the building is open. The CRA will be drafting a sublease for the FC. The CRA will also continue to provide general technical support.

Ms. Schwarz then described the obligations for the FC. Over the next year, before the building opens, the FC is responsible for finalizing their operating budget and fundraising plan for fiscal years 2022 and 2023. Their fiscal year starts July 1. The CRA will approve FC budgets and annual business plans. The FC will also need to develop a property management plan and how it will be staffed. They need to create a makerspace operating plan which includes a financial model, usage strategy, maintenance strategy, and staffing. The FC will need a plan for operating the café on the first floor. They will need general and technical operations plans which include all the policies to run the building, such as the internal controls around financial management and security, a public-facing room reservation system, hours of the building, etc. They will need to define the artists-in-residence programs as there are two artists-in-residence spaces available in exchange for providing programming. A timeline is included in the MOU, although it is subject to change. The building will be open to the public in a year but there is a lot to do and some items need to happen sooner than others.

Ms. Schwarz said the goal is to get this signed within the next week or so. The FC are generally aware of the items in the MOU but they haven't reviewed this draft yet. Once approved, the MOU will be sent to the FC.

Mr. Bator asked if there are any unanticipated provisions or considerations that are controversial or might potentially put the CRA at risk. Ms. Schwarz responded that the CRA is protected by holding the leases, which accounts for the money to run the building. Mr. Evans added that this is an amendment to an existing agreement with the FC. The financial obligations of the CRA are not changing. As opening day gets closer, FC deliverables needed to be clearer. The sublease to the FC will contain the long-term operation logistics in more detail.

Ms. Born said that she met the new Executive Director at the Foundry Advisory Committee (FAC) meeting last week. There was a healthy representation of people from the nonprofit center who voiced a concern about the rents. She stated that the CRA is not intending to run this building at a major loss. Mr. Evans said that the CRA needs to continue to educate and remind people of the intention of the demonstration plan which is to put together a public facility without an ongoing public subsidy; Foundry office rents are designed to support the community spaces. Expectations need to be continually set. Mr. Bator asked if staff is reasonably confident that commercial tenants will be found to occupy the office spaces at the rent levels needed to succeed. Ms. Schwarz said that staff is working with Newmark realtors who are confident in getting tenants. Mr. Bator stressed the need to continually and clearly communicate the agreed upon model. The CRA cannot be an endless source of money.

Ms. Schwarz gave an overview of how the below-market office tenant would be identified and selected. She gave the same presentation she gave at the FAC meeting, marked-up with edits based on feedback received at that meeting. The second floor has a market rate space and a below-market rate space. There are two market rate suites on the third floor. One tenant could take the entire third floor or all of the market rate spaces. There will be a lottery for the one below market rate space. There are a set of requirements that need to be fulfilled in order to enter the lottery – be a 501(c)3 organization, have a \$2.5 million operating budget threshold, have met other leasing requirements such as insurance and the start date, and suggest ideas on how they might use the first-floor community space. The applicants would be sorted and ordered into priority groups based on meeting three requirements. Applicants in the top group largely serve BIPOC and low-income populations, are Cambridge-based (or left Cambridge in the past ten years), and also have missions that align with the Foundry Demonstration Plan. The other two priority groups have only one or two of those requirements.

Marketing the lottery for the below-market rate space will start immediately after Labor Day, with the same timing for the market rate units. The below-market rate will be similar to rents in the Bishop Allen building. Nonprofits may

form partnerships with the intent to share the space. The CRA does not have the capacity to manage that coordination. TSNE will run the process under their property management contract with the CRA. The selection for the below-market rate tenant will be made in partnership with the FC. Due to timing, the market rate tenants might need to be selected by the CRA.

Ms. Schwarz highlighted comments and suggestions from the FAC meeting. Some feel that the below-market rate is still too high for many nonprofits. The rent will be as low as possible while still prioritizing the financials of the building. A suggestion to conduct a survey to ensure that requirements align with potential interest is being considered. The FC was asked to help coordinate usage of the space by other groups when it is unused by the selected tenant. A three-year lease term was recommended to provide building stability. Since many organizations don't have 501(c)3 status, a list of fiscal agents will be provided.

Mr. Bator was impressed by the amount of work done.

A motion was moved by Ms. Drury to approve an amendment to the Memorandum of Understanding with the Foundry Consortium adjusting the project time frame and deliverables. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Motion – all yes

8. Infill Development Concept Plan (IDCP) Update and Design Review Committee Meeting Notes

Alexandra Levering said that Boston Properties (BXP) submitted their Infill Development Concept Plan (IDCP) #2 to the CRA and the Planning Board on July 2nd. It has also been posted on the CRA's Kendall Development webpage. The plan covers all of the changes generated by the MXD substation zoning amendment, which was approved in February. The joint CRA and Planning Board meeting is expected to occur at the end of August or beginning of September. Part of the submission, which is needed for any Kendall Square Urban Redevelopment Plan amendment, is a submission to MEPA. This is expected to be submitted within the next few weeks. One difference in the MEPA submission that could not be reflected in the IDCP is BXP's commitment to go all electric on the 135 Broadway residential building. The CRA and CDD have been pushing for this.

On June 9, the CRA hosted a design review meeting with BXP regarding the 135 Broadway residential building to discuss the base massing described in the IDCP, as well as design alternatives. The committee received good feedback regarding a better interaction of the building's footprint with Broadway, the open space, and 145 Broadway. Stantec is evaluating alternatives. Since that meeting, staff have received other suggestions such as shifting the East Service drive further east to give more space between the two buildings on the west side and improve the experience for the office and residential tenants of both buildings; providing a slice of open space to help people access the center open space; improving the relationship to Danny Lewin Park; and providing a play space for children while phasing in other open space amenities until the project is completed.

Mr. Zevin said that he is concerned because none of those changes are reflected in the large IDCP document. Ms. Levering said that the IDCP is an overall concept and she expects supplemental documents to be received as the design continues to develop. She suggested he put his concerns in a memo. Mr. Evans said that conversations with CDD are needed for iterations of the residential building to be allowed to continue in design review while the IDCP is before the Planning Board. The CRA has been involved in many of the BXP efforts giving 145 Broadway more breathing room and creating a new public realm on Broadway. Mr. Evans will try to find a process to shed more light on the drawings. Mr. Zevin said that the core need not change but the units around the core need to be varied to deal with the site conditions. (Proto, for example, has a large number of unit types.) He would like to get a newer set of scalable drawings to better understand the alternatives and constraints. Ms. Born said that this is the tallest building in Cambridge and members of the CRA Board are anxious for this building to be a success. Mr. Zevin said at least one Planning Board member who was present at the design review meeting feels the same way. Mr. Bator said that staff needs to communicate this concern to those responsible. Mr. Evans summarized that

the main issue is with timing of the master plan document, since it needs to be submitted for the Eversource process to move forward before there is a completed building design. Ms. Born said that her anxiety extends to the commercial buildings at the north end of the site. She is unsure whether there should be one huge building or two buildings. It is an amorphous design. Mr. Zevin agreed. He said that there are two very large buildings that are very close together. Instead of worrying about what that's like for the people in them, the architects seem preoccupied with cosmetic design tweaks. There has to be a more rational way to get to a better place. Another issue is ECPT's ironic concern about not having enough daycare facilities in this location even though the substation was intentionally moved away from a city school because that proximity to young children was considered dangerous. Regarding the size of the air intake, Mr. Zevin pointed out that as the aperture gets smaller, the faster the air needs to go through it, which increases the noise. One last point is that while there is room for a café facing the sun in the commercial buildings, there is already a nice space in the base of 135 Broadway near the park and directly across the service drive from the residential building. Every amenity does not need to be recreated within the site boundary. Mr. Evans explained how the City's bike parking requirement on the ground floor, at least until a second building is built, forces the café location. Additionally, the Eversource construction will lag behind BXP's construction so during that time, it will not be a great place for a café. Mr. Zevin said that it wouldn't be a tragedy if there were no café. He noted that the bike parking is shown as "active" use which it clearly is not. Mr. Evans said that is a graphic indication that this will be converted.

Mr. Bator added that these are significantly huge buildings. The CRA is responsible for getting beautiful wonderful buildings. It would be a failure if all short-term small interests were met but the building is hideous. It would be a success if the only goal is to get the substation away from the school but more should be done. These buildings are architectural statements that are going to last for 50 to 100 years. Mr. Zevin said that these buildings need to be wonderful not only for the outside observer, but even more importantly for the residents and office workers who will inhabit them. Mr. Evans is confident that BXP will build something that works economically, pleases their tenants, and looks good.

Mr. Evans will work to figure out how best to have ongoing iterations on the design work and how to look at other master plan elements. There are additional conversations on the open space amenities. The notes will be forwarded to BXP and their design team.

A motion was moved by Ms. Drury to accept the design review committee meeting notes. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

Adjournment of CRA Board Meeting

A motion was moved by Mr. Bator to adjourn the meeting. A roll call was taken by Mr. Evans and each member's vote was repeated.

Mr. Bator – yes

Ms. Born – yes

Mr. Crawford – yes

Ms. Drury - yes

Mr. Zevin – yes

The motion carried unanimously.

There will not be an August meeting. At 8:55 PM the meeting ended.