

Annual Meeting
Cambridge Redevelopment Authority

Wednesday, February 19, 2014; 5:30pm
Cambridge Police Station
125 Sixth Street
Community Room

DRAFT MEETING MINUTES

Present

Kathleen Born (Chair), Margaret Drury (Vice-Chair), Christopher Bator, Barry Zevin Executive Redevelopment Officer Tom Evans, CRA Strategic Planner Kathryn Madden, Deputy City Manager Lisa Peterson, Assistant City Manager for Community Development Brian P. Murphy, City Engineer Kathy Watkins, CDD Economic Development Director Lisa Hemmerle, City of Cambridge Director of Communications and Community Relations Lee Gianetti, Karin Brandt (CoUrbanize).

Audience sign-in sheet/public comment sign-up for entry into record.

Call to Order: Kathleen Born, called the meeting to order (5:46).

Public Comment

None

Acceptance of minutes:

Motion: To approve the minutes of most recent regularly scheduled meeting of the Cambridge Redevelopment Authority (CRA) on January 15, 2014

Vote: Approved. All in favor.

Communications

MassDOT Office of Outdoor Advertising

Mr. Evans noted that the hearing for the electronic billboard permit would be held on March 13 at MassDOT. The City is still doing due diligence on the proposal and will try to have a conversation with the applicant to understand technical elements of the sign, content, other aspects of the proposal. They will request that the applicant delay the hearing so the City will be able to have a full conversation with Clear Channel; there are still things to be understood from City/CRA perspective in order to comment at hearing.

Mr. Murphy confirmed that the City wants to understand details of the situation before making recommendations.

Mr. Evans asked for board feedback in approaching this process. Discussion of existing regulations for content and transition of images as well as those that might relate to the billboard's impact on nearby uses such as parks.

Ms. Born recalled a settlement about 20 years ago that reduced the number of billboards in Cambridge and placed restrictions on alcohol advertisements. Discussion of billboards and transition from conventional to electronic, and applicable review process, which depends on ownership of billboard property. Mr. Evans noted the revenue incentive for the MBTA to swap out conventional for electronic billboards in prominent locations.

Motion: *To place notice on file (table for further action)*

Vote: *Approved. All in favor.*

Receipt of additional email communications from Carol O'Hare and Heather Hoffman noted.

Election of Officers

Motion: *To elect the following slate of officers for the Cambridge Redevelopment Authority Board of Directors:*

Kathleen Born, Chair

Margaret Drury, Vice Chair

Christopher Bator, Treasurer

Conrad Crawford, Assistant Treasurer,

Barry Zevin, Assistant Secretary

Roll Call Vote:

In Favor: Bator, Born, Crawford, Drury, Zevin

Opposed: none

Election of officers:

Motion for slate of officers. Kb chair; md vice chair; bz asst secretary; cc assistant treasure; cb as treasurer. Second. Roll call: all yes. No discussion.

Kendall Square Project Update

Ms. Watkins walked the board through information in the package relating to different projects in Kendall Square, looking first at construction expected over the next year that is to be introduced at an open house event in mid April. The Main Street plan has been updated and will soon go out to bid with construction to start in April/May (anticipate 18 month construction period). As part of this work, the signal in front of Marriott Hotel will be removed and there will be a new connection of Third and Main streets.

Ms. Born asked if the change would bring more traffic to Main Street. Ms. Watson responded that project goal is to make Main read more like a normal street (reflecting heavy pedestrian & transit use) and improve opportunities for bus routes and connections to Lechmere. Discussion of various details of the plan, including the removal of the median on Main Street.

Ms. Watson showed map of existing property ownership of sidewalk area, illustrating the necessity to transfer CRA property to the City to become a public right of way. Discussion of various changes planned for the area and issues of control/review and transactions expected. Mr. Evans confirmed that Boston Properties has been part of ongoing conversations relating to these plans.

Ms. Watson would like to start conversations to determine what the transactional documents would look like if everyone is on board with the plan. Discussion of responsibilities and oversight for Point Park, and the need for board approval of the concept in order for Boston Properties to move forward with investment commitments.

Motion: *To authorize the Executive Redevelopment Officer to initiate the transfer of CRA properties along the Main St right-of-way to the City of Cambridge*

Vote: *Approved. All in favor.*

With respect to the plan, Ms. Watkins noted that the City is coordinating with the Longfellow Bridge project and has been working on over the years to improve the entryway to Cambridge and create an attractive landscaped area without attempting to do too much in a limited amount of space. The plan provides for a buffered bike lane to match the facility on the bridge and continue down Third Street. Discussion of additional details including pedestrian crossing, disability accommodation, new traffic signal, status of trees, and opportunities for lighting enhancement.

Potential CRA role in redevelopment of City-owned Foundry Building

Ms. Peterson and Ms. Hemmerle provided board members with the background of the Foundry discussions; a March 3 meeting of City Council will focus on the Foundry. There is interest in looking at CRA involvement as an option, looking at the tools it might be able to offer. Ms. Hemmerle reviewed the timeline of activity related to the Foundry, noting documents, resources and information available on the Community Development Department web site. The City Manager will report to Council at the March 3 meeting to further discuss development objectives and programmatic choices.

Ms. Peterson explained the development scenarios under consideration:

- 1) The City could take on the project fully, from start of project through to building management. This would be the largest cost option and would provide most City control.
- 2) City could lease to developer via RFP process and master lease. This would involve establishing clear programmatic objectives and criteria for evaluation, and must comply with public procurement law related to disposition of property and leases. Ms. Peterson confirmed that under this scenario, there could be evaluation criteria, in addition to price, so that the City would not be obligated to take lowest bidder. The challenge is that the City would not be able to negotiate a proposal and once an RFP is released, no discussion is permitted outside open meetings. A tightly written RFP increases the chances of receiving satisfactory proposals. Through this process the City could require the developer to make all capital improvements or the City could offer some up-front capital; capital work can be phased.
- 3): The City could work with CRA as master developer, and would like to explore. What are tools; what would relationship look like; what would CRA offer? CRA may have more flexible tools and there could be City/public involvement in different stages. Discussion of timing of decision process and what the City would need from CRA for March 3 conversation.

Mr. Evans noted the opportunity for CRA to put resources gained from Kendall area development to benefit the community. A demonstration project could revitalize the building to a create community resource and eliminate blight. It would be possible to write up initial concept of how a demonstration project could proceed without delving into financial details. Mr. Crawford affirmed the potential to provide community benefit. Discussion of development objectives, synergies and potential to leverage private uses to meet community objectives, management oversight, and the flexibility available to CRA.

Mr. Zevin noted the unique characteristics of the Foundry Building, observing that physical interventions over time have been haphazard and unfortunate. This is an opportunity to take advantage of the quality of space and view the building as an infrastructure project. To claim that anything could be done in this space would not be useful, and it would be a shame not to recognize the particularities of this unique structure in its redevelopment. The result could be wonderful—it is a basilica!

Mr. Bator observed that the project was a “natural “ for CRA in terms of giving back to Kendall Square. His priority is that the project should be wonderful (whatever it is) and not be so all-encompassing that it becomes the only thing CRA does over coming years as he feels strongly that it’s important to do some things outside Kendall Square. Ms. Drury comments regarding resources going into such a project. Mr. Crawford referred to conversations around lack of aesthetic pleasure in Kendall Square and supports the idea of CRA working to change this in a positive way. Ms. Born expressed interest in the development process under a public partnership model, and the ways that flexibility would allow for good ideas to surface. Mr. Zevin noted the opportunity to provide something that the area needs but that is not being generated by the private market sector. Discussion of tools and scenarios to produce a creative, successful outcome, using a transparent process.

Ms. Peterson stated the City’s interest in proceeding in a cost effective way, with an ambitious capital program already in place and concern about impact on the tax rate. They are looking toward creative tools and if CRA were to invest in the building it would be advantageous to taxpayers. Ms. Born noted that CRA could potentially assemble proposals that may have a different economic paradigm. Additional discussion of animation of the area, and meeting objectives to create a dynamic project.

Ms. Born affirmed that CRA is committed to transparent process for this endeavor.

Motion: To authorize the Executive Redevelopment Officer to provide the City Manager with a memo outlining the potential for CRA to assist with redevelopment of the Foundry Building.

Vote: Approved. All in favor.

2013 Annual Report of the Cambridge Redevelopment Authority

Mr. Evans presented the draft report to the board, noting that this is the first full year annual report under new board, and that its organization is based on the same structure as the strategic plan,

looking at internal operations, financial considerations, external operations (projects/work activities) and learning and growing. He walked the board through the various sections, pointing out that development fees come in on a project-by-project basis and that the largest expenses are in the professional services and personnel categories, with personnel split between current and past commitments (retirees).

Discussion of three years of auditing and operational improvements made for internal controls. The biggest transition is that the board is up and running and making decisions in public manner. Operating expenses and revenues have been aligned but CRA has no obligation to operate on a balanced budget. Expectation of ongoing property management and administrative costs, which will go up with certain activities. Mr. Evans presented a map showing areas of activity.

Mr. Evans pointed out regarding outreach and learning that strategic planning has been the primary activity. CRA has enhanced outreach and communication through its new web site and social media. Staff has been looking at past urban renewal activity and has been documenting and archiving at the Cambridge Public Library as a public resource. CRA has entered into a number of initiatives with the City with respect to sustainability initiatives, open space planning, and Kendall Square.

Mr. Evans asked for board feedback in terms of desired level of detail for the final report. Consensus indicated that current level of detail correct with minor corrections to be made.

Ms. Born noted the success of the audit process, thanking Messrs. Bator and Crawford for their work toward finding auditors with the right experience to make important procedural changes and create an understandable budget format. Mr. Evans noted that the budget was transitioning in January so they are working to reconcile; they will complete January financial report by next month.

Motion: To place draft report on table pending final changes.

Vote: Approved. All in favor.

Draft Strategic Plan

Ms. Madden introduced the draft plan, reviewing what would be presented to the public, remarking on progress made by the Authority to bring hard work to fruition. Components of the plan include:

- 1) CRA's past activity/role in the city
- 2) Feedback received from city staff, councilors, community partners (objectives for CRA activity)
- 3) Redevelopment authority tool sets in different cities
- 4) Definition for MA redevelopment authorities (tools & organizational constraints)
- 5) Mission (CRA today)
- 6) Operating principles
- 7) 5-year working vision
- 8) Context opportunities & challenges
- 9) "Balanced scorecard" framework (criteria for success)
- 10) Redevelopment authority tool set (alternative models)
- 11) Future project selection criteria
- 12) Alternative scenarios (by type, mapped across scale)
- 13) "Balanced scorecard" objectives (mapped by interest category)
- 14) Strategic plan process
- 15) Cambridge neighborhood and business associations outreach

The public meeting will be rescheduled to avoid schedule conflict. The goal is to maximize opportunity to reintroduce CRA to the community and provide opportunity for feedback beyond attending public meeting and sending email.

Discussion of details of public meeting, the board's intention to keep the process interactive, and its desire to outreach to different components of the community. It will be Important for CDD staff to be there to address questions around roles and working relationships. Discussion of feedback and regulation related to use of community loan fund.

Karin Brandt, CoUrbanize founder, provided the board with an overview of CoUrbanize activity and role in facilitating planning and community feedback online. They help urban developers communicate with residents via an interactive platform, which asks specific questions and gets feedback results from individuals who must use their real name via a public facing profile.

Discussion of opportunities to get feedback on potential projects without sacrificing the possibility that new project ideas may bubble up through this process. Mr. Evans noted that the current proposal is to enter into limited term contract with CoUrbanize to pilot the tool; a longer term contract would require a more robust procurement process. The goal is to write a strategic plan that has gotten input in as many forms as possible.

Discussion of technical capabilities of CoUrbanize tool, prior clients, and strategy for encouraging people to interact with the platform. Mr. Evans explained the financial parameters of the current proposal, which would involve an initial setup fee of approximately \$6,000 and a monthly fee to continue after the first month of input. Expenditure above \$10,000 requires a 3-bid process but this is a one-time experiment that offers the opportunity to work with a local startup. Discussion of outreach approaches to ensure that the community would engage with the on-line platform, and the importance of asking specific questions to obtain useful information. Confirmation that CoUrbanize has the ability to run analytics on comments received and can easily generate reports, distinguishing the tool from general social media. Discussion of possibility of using this tool for the Foundry project.

Motion: To authorize the Chair and the Executive Director to enter into a contract with CoUrbanize to provide interactive information platform hosted online to gather community input related to the CRA Draft Strategic Plan.

Vote: Approved. All in favor.

Design Review Committee review of Google signage and connector interior design

Ms. Born referred the board to the report prepared by design consultant Larry Bluestone, who accurately captured the sense of the committee. In general, the committee was positive about the sign and thought it was creative in its approach. The letters can be individually controlled, it is interior to the building (it sits on edge of floor behind glass), and people can sit on it. Mr. Zevin noted that while it is very big, humans can interact with it. He supports diversity of signage, pointing out that signs can be prominent in both good and bad ways. This sign is tucked back and is more like a piece of sculpture. Discussion of history of sign controversy in the area and its effect on subsequent proposals and community feedback.

Motion: To approve the proposed Google building identification sign on the connector between Three and Five Cambridge Center

Vote: *Approved. All in favor.*

Ms. Born directed members to the rest of the committee notes, documenting that they discouraged Google's pursuit of an additional sign, noting that the size of the current sign was accepted because of location; the situation would be different if proposed for other parts of the building.

Google has updated the exterior elevation for the connector and has agreed to come back with revisions due to committee concerns that the design has strayed from what was originally approved. City Council and CRA goals were for transparency and liveliness within connector. Mr. Bator noted commitments and representations made by Boston Properties for this project and their importance as CRA and BP move forward with other activity.

Discussion of generally favorable progress of Ames Street process and the next round of decisions, including the importance of introducing smaller scale design elements that add human dimension to the project.

Motion: *To place the Design Review Committee report on file*

Vote: *Approved. All in favor.*

Ms. Drury noted concern that the building respect the spirit of agreements made with the City when the project was approved to move forward. Mr. Evans noted that this experience relates to the development of design review process for future MXD and the mechanisms to make sure projects stick to intended design review outcomes.

Conceptual Community Grant/Loan Fund Program

Mr. Colley presented initial concept work for a CRA community loan fund, which would serve as a tool to percolate value obtained from Kendall Square development throughout city. This work follows on theoretical conversations to bring forward momentum to the initiative. The idea for the fund is to support the CRA mission and goals, placing emphasis on physical improvements and on filling funding gaps rather than duplicating already existing programs and sources of funds.

The proposed structure for the fund would provide annual funding for 10 years, with each round distributing up to \$400,000 via three award types:

- Capacity grants (predevelopment)
- Capital grants (small scale neighborhood improvement)
- Low interest loans to fill gaps on larger funded program or stand alone.

The fund would establish a maximum percent per cycle for each type as well as eligibility requirements, evaluation process/criteria, and a tentative schedule for pilot period.

Before moving forward, staff seeks feedback. Board members commented on the potential for this fund and discussed examples implemented in other places. Mr. Bator noted the importance of providing concrete examples of what can and cannot be done with money from the fund. Discussion of CRA focus on prevention of blight (and the interpretation of blight, which might encourage environmental sustainability improvements). CRA fund could differentiate from low-rate bank loan by accepting a higher level of risk. Discussion of loan vs. grant approach. The Board thanked Mr. Colley for his work, looking forward to next steps.

Real Estate Development Consultant

Mr. Evans explained that this motion would authorize him to initiate a consultant selection process for a real estate advisor to provide advice on real estate project viability, financing options, mix of funding sources, etc. CRA needs someone who has worked in public private development partnerships--not just a developer or municipal finance person but someone who has been in the "in-between space" with the appropriate technical expertise and ability to do complex pro formas. The Foundry is an example of how we might want to have this expertise on tap. This proposal would allow CRA to play out ideas and run numbers on an as-needed basis for a 3-year contract. Scope to be provided on a project by project basis, and would be tied to the new budget process to track how much is being spent on a particular project.

Mr. Evans anticipates an initial screening and then interviews with one or two board members, with final selection coming back to the full board. Discussion of specific RFP language and the need to advertise opportunity in right places to get desired experience.

Motion: To authorize the Executive Director to initiate the advertising and consultant selection process pursuant to Chapter 30B for an RFP that allows the CRA to select consultants with specialized expertise in redevelopment and public/private real estate projects

Vote: Approved. All in favor.

Administrative Matters

Motion: To authorize the Executive Director in collaboration with the Executive Committee to advertise and interview candidates for a permanent Office Manager position

Vote: Approved. All in favor.

Motion: To authorize the Executive Director to donate, recycle or dispose of office furniture and equipment of value of less than \$1,000 in a manner that minimizes CRA cost and maximized potential reuse value of equipment to the Cambridge Community

Vote: Approved. All in favor.

Ames Street Housing Update

Mr. Evans reported on a positive meeting focused on building massing. Boston Properties is looking at structural systems and wind tunnel analysis. The project is moving well; they will work on the streetscape a bit more as the City makes decisions regarding the bike facility on Ames Street. Discussion of passage from parking garage and food court status. Ms. Born noted the issues around fast food licenses and criteria for licenses.

Motion: To adjourn (9:37)

Vote: Approved. All in favor.

Next Meeting:

- March 19, 2014 at the Cambridge Police Station 1st Floor Community Room