

August 22, 2012

Regular Meeting  
Cambridge Redevelopment Authority

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## MEETING MINUTES

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### Call

The Chair called the meeting to order at 5:33 p.m. Present were: Kathleen Born, Christopher Bator, Conrad Crawford, Margaret Drury, Barry Zevin and Joseph F. Tulimieri, Executive Director and Secretary. Also attending were Authority Fiscal Officer Maura Ryan, Authority Counsel Jeffrey Mullan and Sandra Shapiro, and Larry Bluestone, Authority Urban Design Consultant. There were also several members of the public (approximately 11) in attendance.

### Minutes and Reports

On a motion by Mr. Bator, it was unanimously:

Voted: To approve the Minutes of the previous Authority meeting as presented to the Members of the Authority: July 18, 2012.

### Communications

Correspondence, dated August 5, 2012, received from Tom Stohlman was noted.

### Public Comment

The Chair opened the meeting for public comment noting that a sign-up sheet for the general public had been provided. The attached materials were entered into the record.

### Administrative Actions

The Financial Committee reported on the annual audit indicating that the best proposal was from the firm of Roselli, Clark. Mr. Bator indicated that it is proposed that the audit services be for one (1) year in the amount of \$9,900. He observed that the books of account are in good shape and that the finances overall are good. Mr. Crawford stated that the audit may shed more light on several of the statements heard by the Authority in public comment.

On a motion by Mr. Bator, it was unanimously:

Voted: To award the Audit Contract in the amount of \$9,900 to Roselli Clark and to authorize the execution of an Engagement Letter.

The Finance Committee reported on the Trial Balance as of July 31, 2012; the Schedule of Certificates of Deposits; and the 2012 Cash Flow by budget categories. Mr. Bator indicated that Authority staff should be commended for its handling of expenditures and investments.

On a motion by Ms. Drury, it was unanimously:

Voted: To receive the Report of the Finance Committee on the Trial Balance as of July 31, 2012; the CD Schedule; and the 2012 Cash Flow.

Mr. Bator indicated that Authority staff prepared a full report on the Government Accounting Standards Board (GASB) 45 Actuarial Valuation. Maura Ryan, Authority Fiscal Officer, joined the meeting. Ms. Ryan indicated that the past contract with Primoris Advisors addressed the Authority's unfunded liability for post employment benefits, excluding pensions. Ms. Ryan noted that the Authority's current unfunded liability as of December 31, 2011 is \$245,437. The last GASB 45 Audit was performed in 2009 for \$4,850 and subsequent updates took us through 2011. The staff recommendation is to award a contract to Primoris Advisors in the amount of \$4,250. This fee includes updates for FY 2013 and FY 2014. It was noted that the unfunded liability, currently on the Authority's books of account will need to be funded. Currently, the Group Insurance Commission is paid \$102,000 annually on a "pay-as-you-go" basis. Mr. Bator suggested that we defer action on awarding this contract until the September meeting.

On a motion by Ms. Drury, it was unanimously:

Voted: To table action on the GASB 45 Contract award.

The status of a developing a staffing plan and the description of current and proposed development activities has been shifted into the transitional planning effort. That effort involves the retention of the services of Kathy Spiegelman to be paid through a Consultant Services Agreement by and between the City of Cambridge and the Cambridge Redevelopment Authority. This Contract is exempt from the provisions of Chapter 30B since it is an agreement between an authority and a municipality (i.e., intergovernmental services agreement).

On a motion by Ms. Drury, it was unanimously:

Voted: To approve an inter-agency Contract with the City of Cambridge for Consulting Services to be provided by Ms. Kathy Spiegelman in connection with Transition Planning for six (6) months at \$4,000/month commencing September 1, 2012.

There was a detailed discussion of the public and private signage inventory, the Memorandum to the Board, dated July 10, 2012 outlining various categories of signs of interest to the Authority and Authority member comments received to-date. Mr. Zevin summarized several key elements of signs including: size, shape, color, lighting, animation, scrolling, typology, whimsical, and high tech. He felt that Times Square signage is exciting but may be not appropriate for Kendall Square. He believes that we should encourage light-hearted signs (e.g., Flying Pigs) and those having unique lighting (e.g., Amgen's "Blue" parapet). Mr. Crawford indicated the importance of the transparency of buildings and believed the Authority should articulate what we like; we should look at which signs are successful; we should schedule a field trip.

Ms. Drury felt that we should start with the criteria in the Memo and move on to specifics. Mr. Bator noted that individual tastes are involved and he warned against being over proscriptive. He stated that we might want to start with what we don't like.

Ms. Born noted the importance of the process of signage approval. Ms. Born noted that should have a conversation with the Kendall Square Association and with the Consultants doing the K<sup>2</sup>C<sup>2</sup> Planning Study in order to develop a unified vision. Ms. Born observed that Kendall Square has a different "flavor", an urban landscape.

While a signage "white paper" is being developed, it was the consensus of the Members to have all signs, including the Boston Private Bank and Trust sent to the Authority for review to be accompanied by an Authority staff and consultant recommendation.

On a motion by Mr. Bator, it was unanimously:

Voted: To have the Authority review all signage proposals, including Authority staff and consultant recommendations, until a signage review process is approved.

The Authority Counsel was requested to conduct a "look back" of Authority actions during the past two (2) years period including consideration of the Kendall Square Urban Renewal Plan, as amended. Mr. Mullan gave an oral report for the September 17, 2009 to May 21, 2012 timeframe. He began by indicating that even without a quorum of Members, the Authority did not cease to exist. He indicated that this look back focuses on major issues and some of the preliminary findings were, as follows:

- (1) For the period September 17, 2009 to May 21, 2012 no quorum was achieved;
- (2) The meeting of March 17, 2009 was held but since there was confusion regarding who was on the Board at the time, no quorum was achieved;
- (3) The conveyance pertaining to the development of Seventeen Cambridge Center for Biogen were valid;
- (4) All actions respecting the Microsoft signage were valid since the By-laws were in place delegating administrative responsibilities to the Executive Director;
- (5) Respecting the development of building connecting 3, 4, and 5 Cambridge Center, the only action taken was by the City Council which approve two (2) open space covenants; and
- (6) There was a public process resulting in a Council vote involving community meetings with the Kendall Square Association, East Cambridge Planning Team, and a series of City Council hearings on the proposed open space covenants.

Mr. Mullan added that he has spoken to several members with the audience and noted both letters from the East Cambridge Planning Team in support of the proposed actions on the connector buildings. He said that the report will be ready early in September and will be available for public comment. He indicated that regarding Authority meetings during the look back period, the current Board will have to ratify the actions taken; that there were no actions taken which should not have been taken; and

questioned the lack of action on a Budget noting that a 2012 Cash Flow by budget categories have been presented to the Authority for the past four (4) meetings.

The Chair opened the floor for additional public comment. Councilor Minka vanBeuzekom indicated that the City Council voted on public access and used the so-called "diminutive process"; that she was unaware that the Authority was not duly constituted; that the meeting with the Authority was held after the "open space" vote; and that at no time was the CRA role clear.

Marc Levy inquired as to the actions of the Executive Director during the look back.

Tom Stohlman wanted to know who was providing legal services to the Authority during the look back period.

James Williamson wanted to know the Authority membership during the look back period and if there were any decisions made. Also, he questioned the propriety of the CRA letter to the Council since there was no urban renewal plan extension.

#### Kendall Square Urban Renewal Area / Parcel 4

Mr. Cantalupa, Mr. Sheehan, Mr. Dube, and Mr. Martin, and Ms. Batchelor joined the meeting. The Board determined that it would be useful to go through all of the Authority comments as indicated in the Boston Properties response letter, dated August 17, 2012. That letter outlined certain milestones, as follows:

- Construction Start - September 1, 2012
- Structure Complete - January 1, 2013
- Building Enclosed - April 1, 2013
- Substantial Completion - July 1, 2013

Mr. Cantalupa and Mr. Sheehan went through each response to the sixteen comments in the conditional approval letter. Many responses were not complex with Boston Properties expressing agreement. However, there were three (3) responses which are detailed explanations indicating why Boston Properties is unable to comply, as follows:

(1) Response to Comment #3:

*Response: Please note that this section of our response is also intended to address comments made by Board Member Barry Zevin in a separate communication dated June 16, 2012.*

*We plan to expand the retail space along Main Street, and we agree that more new retail store front would be a great improvement. We are actively engaged in discussions with legal Sea Foods about a reconfiguration of its space to allow larger retail space of approximately 3,000 square feet; however, even if we do not obtain agreement to reconfigure the Legal Sea Foods space, we will provide a smaller retail space of approximately 1,500 square feet. We will accomplish this by reducing the size of the Five Cambridge Center office lobby and providing access to the lobby from the public passage, rather than from Main Street, allowing a more continuous retail store front along Main Street.*

*As for ground floor public passage, an exterior space between Three and Five Cambridge Center and below the connected floors above would be much less inviting than the proposed plan. Such an exterior space would be a dark, cold environment and would likely be an uninviting, transitional space rather than the type of active public space that we are proposing. As a similar example, Holyoke Center in Harvard Square was originally constructed with an exterior space on the ground floor, which was subsequently enclosed resulting in an improved, activated public space.*

Mr. Zevin agreed that a one-story high open space covered by wide connectors would be unsatisfactory, and argued that narrowing the upper floor connectors would solve this problem. He further countered that the comparison with the Holyoke Center arcade was not valid.

*The Size of the office space on the upper floors is dictated by our intent to provide usable office space, so that Three and Five Cambridge Center can function as "one building" with a large contiguous floorplate serviced by two separate elevator cores at the lower levels. We are proposing to provide a break in the streevall by recessing the building façade at the new point of entry to the public passage. However, a narrower bridge between the two buildings would not serve to achieve our purpose or meet the needs of Google, who is seeking to make the new connections between the existing buildings as wide and open as possible*

Mr. Zevin objected that the plans of the 3-5 connectors shown in informal design review showed heavily subdivided spaces, not open floor areas. He cited inter-building bridges at MIT as examples of narrower connectors that work well in a collaborative hi-tech environment, and called the assertion that a narrower bridge would not achieve Google's purposes "utterly bogus."

(2) Response to Comment #5:

*Response: Please note that this section of our response is also intended to address comments made by Board member Barry Zevin in a separate communicated dated June 16, 2012.*

*Our office lease does not allow us to dictate a tenant's use of its interior space. However, we do have the right to review any proposed tenant improvement work and to reasonably approve certain elements of the design. In this case, Google is well known for its open, innovative and lively work space (as opposed to a more traditional perimeter office layout). Furthermore, it is our current understanding that Google is planning to use all or most of the connector for collaborative space such as open lounge or recreation areas, large conference rooms (including a large auditorium as described below), and other gathering spaces.*

*Regardless of the interior uses in the connector, the space will be planned and maintained so that desks, chairs and other office furniture will be setback from windows. Therefore, we do not think that spandrel glass will need to be added.*

*We have considered the size of the new connector and how it relates to the proposed residential building. The size of the connector is based on our intent to provide usable, functional office space and Google's requirement to have large, open floor plans. The existing office buildings, which are now 30 years old, are deficient with respect to the needs of today's office users, in particular technology companies, who are seeking buildings with large floor plans to promote collaborative and innovative work environments. In this case, Google has a specific need for a*

*large auditorium and an equally large open area on the same level, which cannot be accommodated if the footprint of the connector is reduced.*

*With respect to the proposed residential building, we have planned the connector to allow approximately 50 feet between the buildings to provide a separation of uses appropriate to the urban context (approximately equal to the width of a city street). We believe that this separation distance is appropriate and will provide the best opportunity for both the office connector and the residential building to coexist as compatible uses on the site in the future. Furthermore, the proposed location of the connector is designed to work within the structural grid of the East Garage and cannot be moved off of this grid without the construction of new columns and foundations that would not be feasible due to cost and construction logistics, and would negatively impact the functionality of the garage below.*

*Likewise, it would not be practical to relocate the entire connector to the west edge of the East Garage (i.e., incorporate the connector into the base of the proposed residential building), because this change would have negative consequences for the residential building, including the following:*

- *schedule conflicts (the construction of the connector is based on Google's occupancy schedule and the residential building cannot start before certain zoning changes are adopted),*
- *structural conflicts (the structural grid and the core elements to support a residential building would not be compatible with the large open floor plate of the office connector), and*

Mr. Zevin pointed out that his proposal accommodated the meeting space and respected the existing structural grid. He noted that any residential building would have to span the 60' garage bays in any case.

- *financing conflicts (the residential building must have the ability to be separately financed as an independent project so that we can seek financial partners as necessary),*

Mr. Zevin noted that the BRA has recently approved two office/residential mixed-use projects; these have financing.

- *Finally, we are limited by the existence of other tenant leases in terms of where we can connect to Five Cambridge Center. Google leases the northeast corner of the sixth floor, where we are proposed to connect to Five Cambridge Center. The northwest corner of that floor, however, is leased by a different tenant, so we do not have the ability to connect to Five Cambridge Center on the west half of the floor.*

Mr. Stohlman demonstrated that Mr. Zevin's proposal still allowed access from Google's 5 Cambridge Center space into the 4-5 connector.

There were several additional comments from the Members including:

- (1) Boston Properties should explore having the proposed auditorium to feature glass walls.
- (2) Boston Properties should explore the inclusion of "green walls" within the proposed development.

(3) Boston Properties should clearly mark the dates of all presentation materials.

Ms. Born called for Public Comment and six (6) residents offered testimony.

Ms. Born sought to determine the sense of the Board to move forward.

Ms. Drury agreed that the Board should move forward but still thinks Boston Properties might be short-sighted. She realizes that there were trade-offs in order to secure long-term open space covenants and \$2-million to install open space improvements.

Mr. Zevin stated that he disagrees with moving forward.

Mr. Crawford stated that the Authority should encourage economic development and that the development of open space is difficult. Speaking broadly, he is not concerned that we would lose Google. Clearly, the Authority has done a thorough job at discussing this matter and stated that he wants to move it forward.

Mr. Bator expressed similar thoughts as Ms. Drury and Mr. Crawford and stated that the Authority has made useful headway. He cited City Council approval of the open space covenants.

Ms. Born indicated that this is not a project that I loved but want to move it forward. It is important to move the project forward which will contribute to the vibrancy of Kendall Square.

On a motion by Ms. Drury, by a vote of 4-1:

Voted: to proceed to the next phase (i.e., design development) of design review and to consider the four (4) new presentation boards, including the New Elevation of the 4-5 Cambridge Center Connector; Main Street perspective; Ground Level Plan; Public Arcade (all dated August 22, 2012) and Boston Properties responses to the Authority design review comments.

Mr. Cantalupa stated that the footprint and placement of each connector width and location be recognized.

#### Kendall Square Urban Renewal Area / Parcel 6

Two (2) temporary uses to be operated on Authority-owned land were presented. The Executive Director was authorized to explore with City staff and Alta/Hubway a temporary use and to prepare License Agreement with the City of Cambridge for a bicycle docking station.

The Executive Director was authorized to solicit proposals for the operation of food truck services on Parcel 6, a 5,000 square foot tract of land owned by the Authority.

A motion to adjourn was voted at 10:44 p.m.

Next Meeting: September 19, 2012, Marriott, Two Cambridge Center, Endeavor Room, 3rd Floor  
October meeting to be determined.