

**Regular Meeting  
Cambridge Redevelopment Authority**

Wednesday, September 18, 2013; 5:30pm  
Volpe National Transportation Systems Center  
5 Broadway  
Cambridge, Massachusetts

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**DRAFT MEETING MINUTES**

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**Present**

Kathleen Born (Chair), Margaret Drury (Vice-Chair), Christopher Bator, Conrad Crawford, Barry Zevin Executive Redevelopment Officer Tom Evans, Kevin Conroy (Counsel, representing Foley Hoag), Chad Clark (Auditor, Roselli, Clark and Associates), CR Planning Consultant Kathryn Madden, CRA Design Consultant Charles Redmon, Assistant City Manager for Community Development Brian P. Murphy

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

**Call to Order:** Kathleen Born, called the meeting to order (5:40).

**Public Comment**

Written materials related to comments entered into record.

**Steve Kaiser**

[The Chair noted past correspondence of 7/31 on agenda]  
Regarding strategic planning: While in support of the board planning process, Mr. Kaiser found alternatives to be missing, in terms of alternative funding or alternatives to free market approach. He encourages the board to look at various ways to structure future operations and offer choice, rather than single package, and then obtain feedback from the public. Although CR may be poised to expand its work, there is still much work to be done first in Kendall Square. CRA can take lead and help better planning, which should precede zoning. Mr. Kaiser would like clarification of the meaning of "sound growth" and "transparency." Is also concerned about use of words such as "sustainable" "economic vibrancy" "frameworks." Regarding the list of projects to do in various timeframes, he pointed out the risk in certain projects and asked for additional alternatives. Concord Alewife is an area with planning and infrastructure issues; O'Brien highway corridor. Should include McGrath and what Somerville trying to do. The Osborn Triangle area is concern because of high developer interest. Regarding the CR audit, he is concerned about escalating costs and the need to anticipate future expenses. Regarding freedom of information item on agenda, he is concerned that legal costs are expensive but has concerns about part activity relating to former executive director. He encourages the board continue on its positive track and to look into Article 7 as it relates to Boston Properties activity.

## **Heather Hoffman**

The reconfiguration of the Marriott hotel lobby has made it difficult for many East Cambridge residents to get to and from Red Line, and she encourages CRA to make better so that the public can feel comfortable walking thru the lobby. While there is a sign for the rooftop garden, wayfinding is dropped inside the building. Concerned about the zoning petition, Ms. Hoffman pointed out ongoing discussion in *Boston Globe* regarding building heights and quality/appearance of tall buildings. While Kendall Square is encouraged as a place for strategic tall buildings, current buildings are not memorable, and the community deserves better if the area is to realize its potential. CRA must insist on spectacular design for buildings and open spaces as a priority and hold developers to that standard. The community will show up at hearings to support something that they can be proud of. She is concerned that the zoning petition under discussion is a tool to obtain additional concessions from the City.

The Chair pointed out that on the issue of the Marriott lobby, CRA would like feedback from people that regularly pass through.

Public comment closed.

### **Acceptance of minutes:**

**Motion:** *T approve the minutes of most recent regularly scheduled meeting of the Authority on July 17, 2013*

**Vote:** *Approved. All in favor.*

**Motion:** *T approve the minutes of the Authority's strategic planning meeting on August 7, 2013*

**Vote:** *Approved. All in favor.*

### **Communications**

- Responses to Marc Levy's Public Information Request of July 8, 2013
- Correspondence from Stephen Kaiser on July 31, 2013

Mr. Evans noted that Mr. Levy published information based on his request and recognized that the CRA has worked with him.

**Motion:** *T place communications on file.*

**Vote:** *Approved. All in favor.*

### **Report of the Executive Redevelopment Officer**

After noting relevant meeting materials, Mr. Evans reported that office operations are going well with KSA sharing space. The audit has been under discussion and they are actively working on various elements such as tracking bank accounts, procurement process, and check signing. Materials have been in QuickBooks. They are working on the web site and populating with historical information, and keeping current with strategic planning process.

Regarding Rowland resolution, there has been a delay in the Rowland/Tercyack and they ask that it be tabled until October. They are meeting with the City's historian to talk about the interview process and documentation work continues.

Mr. Evans has been working actively on recruiting interns and seeks to rebuild collaboration with local institutions for interns. He is happy to review inquiries with the Personnel Committee and supports payment of living wage for interns. Fulltime position is not possible at this time but current budget will permit limited intern work. They have been focused primarily on strategic planning as well as some budget work.

At the October meeting, expect to spend significant time on strategic planning, and Mr. Evans anticipates Microsoft signage request and Open Space Committee report. They have been working on sign review policy with the Design Committee and hope to bring before board soon.

Work continues regarding the MXD petition and corresponding amendments to Urban Renewal Plan and design work following up on specific projects. The little gazebo remaining at former tot lot as created issues that must be resolve, and we may consider spending money to tear down or possibly to create a paved walkway there, as universal accessibility is an important issue; it may be possible to put up interim sign saying gazebo is closed.

Mr. Evans was unable to participate in August design review mtgs.

**Motion:** *To place the Executive Redevelopment Officer report on file.*

**Vote:** *Approved. All in favor.*

**Trial Balance; CD Schedule/All Cash and Cash Flow**

Mr. Evans noted that CRA is running \$150,000 below budget for year, with many expenses down. He credited Susan Glazer for her efforts to reduce spending, closing contracts, subscriptions, etc.. Legal costs have held steady, and some retirement benefit payouts were higher than anticipated. The current rate of spending has been good news from budgeting standpoint and sets good target for next year's budgeting process. Additional land proceeds were entered into record for this year and also small rent contribution from KSA. He would like to meet regularly with the Finance committee to hone in on budget. They will look to what projects are coming up in the strategic plan and spend money programmatically rather than administratively.

Mr. Evans has been addressing issues related to recording interest credits in QuickBooks and has asked for motion from the board to authorize designated signatories on CRA accounts.

The Chair agreed that all signatory designations should be consistent with one person always accessible. The Vice Chair pointed out that the bylaws designate signatories but the board can make changes.

Mr. Evans read his prepared motion for the record:

***Motion** Designating the Chair, Kathy Born, Treasurer, Chris Bator and Assistant Treasurer, Conrad Crawford as the signatories of the certificate of deposit accounts held by the Authority. Further authorizing the Treasurer to establish a new certificate of deposit account with Boston Private Bank.*

**Vote:** *Approved. All in favor.*

**Motion:** *To place reports on file.*

**Vote:** *Approved. All in favor.*

### **Strategic Planning Discussion**

Ms. Madden walked the board through materials in package, pointing out that everything is a draft. Addressing public comment, she noted that alternatives are challenging given a legally-constrained organizational structure. She encourages continued comments regarding whether CRA is on the right track and if things are missing (regarding alternatives). She intends to catch up with board members individually regarding mission statement comments. She seeks to address the inspiration, constituency, operations, and identity components, and expects to move to more pithy, specific and meaningful language as they move through process.

Discussion has focused on a balance between economic development, housing, and open space. She encourages the board to think about CRA's core issue. The next step is to write a year vision. In October the board will look at barriers to the vision, and also look at committee structure, policies, operational issues, staffing, technology and systems. The group has talked about projects as a tool for thinking about what kind of activities are appropriate. Members favor a mix of activities; financial sustainability is important. Members envision some advocacy and program work but also project and real estate work to sustain capital. The alternative would be to draw down and close shop, but they are looking toward sustaining CRA in the approaching budget.

There has been new thinking about the best approach to community outreach and they anticipate small meetings with neighborhood organizations and businesses leading into a public meeting (probably early December), by which time there would be more clarity around vision/goals. They expect plan would be drafted in December with final to be completed in January, somewhat later than originally discussed.

Continued board discussion about importance of community engagement, relationship building, representation from stakeholder groups, and connection with City Councilors. CR will work with the Community Development Department to plan and execute the public meeting.

### **Report: On Financial Audits & corresponding Management Letters for Fiscal Years 2010, 2011, 2012**

Mr. Bator introduced Mr. Clark to present the audit report on behalf of Roselli, Clark and Associates. Mr. Bator noted the auditors' deliberate and careful process, reflecting the Finance Committee decision that it would be appropriate to retain new auditors for a fresh eye on CRA's financial situation. The firm of Roselli, Clark and Associates was selected through an RFP process, based on

Careful consideration of similar experience. The audit began and its scope expanded to include the 2011 audit in order to address past issues. As a result, the request and motion before the board is to enhance or amend their contract to cover expanded activities; the Finance Committee affirms that this is appropriate. With regard to the former director, the auditors have uncovered items that may be relevant for further board consideration, but comment at this time would be inappropriate because of ongoing activity. Mr. Bator noted that administrative procedures have been tightened to operate appropriately.

Mr. Clark distributed audit materials, walking through the highlights and providing explanation of services rendered. He addressed three sets of reports: 2010, 2011, 2012. For each year there is a report on the financial statements themselves and a report on internal control. The management letter for 2010/11 was issued as combined while 2011 is standalone for each of the 2 components.

The firm performed a financial statement audit in accordance with generally accepted standards for government auditing. This included a review of internal controls and major transactions. When they determine that there are material weaknesses and significant deficiencies, they are required to report to the executive entity of the agency audited. The CRA board has chosen to include such items in the materials for transparency purposes.

Issues discovered during the audit process included board meetings held without quorum, lack of compliance with procurement law, and improperly executed contracts, disbursements and salary increases, as well as a range of smaller procedures and expenditures inconsistent with public agency best practices. Mr. Clark noted that changes were instituted in 2012 to improve operational consistency. He advised the board regarding additional action to improve bank signatory procedures and considerations for strategic banking decisions. He also made additional suggestions regarding bookkeeping procedure, procurement, personnel practice, budgeting, and review of timesheets & bank statements. He also recommended development of a fraud policy for use as a risk assessment document.

Mr. Bator asked the Executive Redevelopment Officer to confirm that all current CRA holdings are in banks where they are fully insured. He further noted that the audit letters include the Authority's response to each item, many of which have been already addressed.

Mr. Clark affirmed that fieldwork concluded in June and that many issues uncovered have since changed. He noted the importance of CRA having a senior-level financial person to provide service to the board; this could be on a part-time basis at current level of operation.

Mr. Bator expressed his gratitude for the work done and the help given to CRA; as the management letter suggests, the board continues to be active regarding items of concern. Board members concurred regarding the level of care and thoroughness applied to the audit effort and the clarity of Mr. Clark's presentation, as well as the guidance provided for moving forward. Materials will be posted online and the public is invited to provide comment at the next meeting.

Mr. Clark noted that they are under contract for another year and will remain available to answer questions throughout year as they come up.

Mr. Bator commented that the board has welcomed the opportunity to learn during the audit procedure and is committed to ensure that as a public entity, they are doing everything the right way. They intend to move quickly on follow-up work and expect to be well on the way to “putting the house completely in order.”

**Motion:** *T thank the auditing firm of Roselli, Clark and Associates and to refer documents received tonight to the Finance Committee so that they can come back with a set of recommendations regarding refinement of procedures and a list of issues still outstanding.*

**Vote:** *Approved. All in favor.*

### **Contract Amendment with Roseli, Clark and Associates for Additional Services**

Mr. Evans referred to the firm’s letter describing cost overruns related to the audit process, and proposal to split the cost of overruns with CRA, conduct the 2013 audit under contract agreement, and continue to work with the Authority on procedure refinements (while preserving independent relationship), setting aside funds for on-call advice. In this capacity, they can assist with the design of procedures and check to see that work is done in accordance, but CRA must be responsible for implementation.

**Motion:** *T authorize the Executive Redevelopment Officer to execute a contract amendment with the firm of Roselli, Clark and Associates for an additional \$6,250 for additional services provided outside the original audit scope of services and the potential for another \$5,000 in services at the request of the Authority. Further the Board agrees to exercise the option in the existing contract to have the firm complete the Authority’s FY 2013 audit for the previously agreed upon fee, for a total contract amount not to exceed \$47,950.*

**Vote:** *Approved. All in favor*

### **Longfellow Bridge Replacement Information Sign**

Mr. Evans noted removal of this agenda item as the proposed location of the sign has changed. A project update is scheduled to be given to the Kendall Square community on Thursday, September 26.

### **EcoDistrict Summit Co-sponsorship**

Mr. Murphy provided background on Community Development Department work to establish an ecodistrict in the Kendall area, where there is a concentration of energy intensive uses. He discussed staff participation in ecodistrict incubator training in Portland, Oregon, the need to expand core stakeholder group, and preliminary exploration of potential sources of additional funding for implementation.

The board discussed details of the co-sponsorship terms, the goals of ecodistrict activity, interaction with the public, and the need to engage corporate members with language that resonates.

**Motion:** *T agree to become a co-sponsor with the City of Cambridge of the EcoDistricts Summit on November 12-14, 2011 in Boston, and to authorize the Executive Redevelopment Officer to contribute \$2,500 toward the conference sponsorship.*

**Vote:** *Approved. All in favor*

**Report on Design Review Committee review of Marriott Hotel Lobby Renovations Proposal**

Ms. Born referred to minutes submitted by design consultant Larry Bluestone, addressing three components of the Committee meeting: the Marriott, signage and wayfinding, and the concept of a restaurant at One Kendall Center.

Regarding hotel renovations, Ms. Born noted the importance of maintaining the ability for easy public passage through the lobby. Observing actual behavior at site, it appears that the path is not intuitive. There may be an opportunity to work to make the doors easier to navigate without negatively impacting climate control in the lobby. The Marriott is looking for resolution due to lead time required to order carpet for the passage.

The board discussed issues of accessibility/safety for public passage through Boston Properties facilities between Main Street and Broadway, as well as the hotel's operational need to periodically refresh common areas. They further noted that the goal of increasing permeability was part of the K2C2 planning process.

**Motion:** *T grant approval for the redesign of the Marriott Hotel Lobby at Two Cambridge Center conditioned on follow-up study of door design and Future planning for pedestrian improvements to an through the Cambridge Center West garage.*

**Vote:** *Approved. All in favor*

**Report on Design Review Committee Review of Kendall Center Signage & Wayfinding**

Ms. Born explained that this work comprised an update regarding previously submitted designs as described in the Bluestone notes. She further noted the desire for Boston Properties and their designers to coordinate carefully with City staff regarding wayfinding and freestanding kiosks. She didn't feel that the wayfinding system for the roof garden was where it should be, but it is still in progress and she wanted to report that the Committee was pleased with the process & commitment of Boston Properties to look at issues and offer high quality product. She anticipates another meeting will be scheduled.

Mr. Zevin noted that the Committee is interested in suggestions regarding the best way to identify garages, most of which have entrances on more than one street. Ms. Drury reminded that the wayfinding for public garden should specifically say that it is open to public and not just identify the roof garden.

Mr. Evans noted that issues are still unresolved for parcels 2 and and the re-naming of Cambridge Center. He expects that there will be formal submission of a full packet for board approval. Regarding the changing of building addresses, he reminded of the need to communicate to tenants and that it would be helpful to develop a strategy for doing so.

**Motion:** *T accept the report and place on file.*

**Vote:** *Approved. All in favor*

**Restaurant Concept for One Cambridge Center**

The board discussed this concept for the blank wall next to the T entrance, and its concerns about use of the sidewalk at this location and the City's most current plans for the area. Mr. Evans reported that they would be meeting with project manager Kathy Watkins to discuss the corner. With Point Park, the restaurant, T entry, and the proposed Microsoft blade sign, there is much going

o here. Ms. Born reported that the Committee was favorably inclined toward the restaurant concept if the physical issues could be resolved.

**Motion:** *T accept the report an place o file.*

**Vote:** *Approved. All in favor*

**Discussion: Ames Street Housing and Kendall Square Urban Renewal Plan Amendment**

Ms. Timlin, in-house counsel for Boston Properties addressed the board regarding the zoning petition filed Monday, reiterating a commitment to further design refinement for the residential project. Boston Properties is interested in creating usable open space that works for the general public. Parking requirement within the petition is consistent with recent activity (K2C2 planning and MIT rezoning). Ms. Timlin noted the 60% loading area reduction to allow for shared loading docks and issues related to fast food restrictions, though portable food can be an effective tool to enliven the streetscape.

The City Council has referred the petition to committee. The Planning Board hearing is anticipated for end of October. The appraisal process continues; her understanding is that the goal of City is to have the appraisal and zoning process conclude at same meeting.

The board discussed public comment and the mandate for strong design as a goal for new development in the area. All acknowledged the potential for a beautiful building o this site; to this end, Boston Properties has selected New York architect with a record of accomplishment with residential buildings on similar sites. Board members further discussed the function of the building as residence and desirable place to live.

Regarding the Urban Renewal Plan amendment, Mr. Evans noted meeting material in the packet. One is the Redevelopment Plan as it stands today, showing amendments over time. The other document shows the proposed amendment and includes cleanup of unwieldy/nonconforming/inconsistent text.

The board determined it would be best to take no action on the Urban Renewal Plan until the City takes action on zoning; for the sake of simplicity of process and consistency of content. Board members felt it would be helpful to view a draft that visually distinguishes Ames Street changes from those that are considered cleanup items for the future. Mr. Evans will keep the board informed of Planning Board and Council action on matter.

**Discussion ended; matter placed o table.**

**Motion:** *T adjourn.(9:40 p.m.)*

**Vote:** *Approved. All in favor.*