



CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE REDEVELOPMENT AUTHORITY

JOSEPH A. CURTATONE
MAYOR

NANCY A. BUSNACH
CHAIR

MINUTES

Thursday April 27, 2017

Library, Somerville High School
81 Highland Avenue, Somerville, MA

Present from the Somerville Redevelopment Authority (SRA): Nancy Busnach (Chair), Iwona Bonney (Secretary), William Gage, Phil Ercolini, and Anne Tate. Also present were Michael Glavin as Director of OSPCD, Eileen McGettigan as Special Counsel, Thomas Galligani as Director of Economic Development, Emily Hedeman as Economic Development Assistant, and Sunayana Thomas as Senior Economic Development Planner.

The special meeting was called to order at 5:30PM by Nancy Busnach, Chair. Open session commenced. A quorum was present.

Documents and Other Exhibits Used at the Meeting

- i. Notice of Meeting and Meeting Agenda
- ii. Draft Minutes from the February 16, 2017 Meeting
- iii. Draft Minutes from the February 23, 2017 Special Meeting
- iv. Draft Minutes from the March 8, 2017 Special Meeting and Public Hearing
- v. Master Land Disposition Agreement (“MLDA”) dated April 25, 2017, marked to show changes from the prior draft dated February 16, 2017
- vi. Handout (7 pages) with cover page entitled “Implementing the USQ Neighborhood Plan: Key Documents”

Discussion and Actions Taken

1. Approval of Minutes:

Vote: Approve the February 16, 2017 Regular Meeting minutes.

- Motion to approve minutes made by Phil Ercolini, seconded by William Gage.
- Unanimously approved

Vote: Approve the February 23, 2017 Special Meeting minutes.

- Motion to approve minutes made by Iwona Bonney, seconded by William Gage.
- Unanimously approved



Vote: Approve the March 8, 2017 Special Meeting minutes.

- Motion to approve minutes made by Iwona Bonney, seconded by Phil Ercolini.
- Unanimously approved

2. Assembly Square Update:

Emily Hedeman gave updates on Assembly Square.

- Ms. Hedeman stated that the Assembly Job Fair was held April 26, 2017, during which 17 Assembly Square retailers and restaurants sought applicants for available and upcoming employment opportunities.
- Ms. Hedeman listed several stores and restaurants opening over the next several months. Block 6 will be home to Ann Taylor, Columbia, Yankee Candle, Fragrance Outlet, and American Fresh; all opening between May 24th and the middle of September. Block 11 saw the opening of Mike's Pastry, and will be home to Sabroso, Waxy's, Zo Greek, Lucky Strike, Title Boxing, Orange Theory, Club Pilates, and Squeeze; all opening between early June and early October. Assembly Square Marketplace will be home to Trader Joe's, opening in September.
- Ms. Hedeman stated that Montaje will be pre-leasing apartments beginning May 1st, with projected move-ins starting September 1st.
- Mr. Ercolini inquired as to whether there were residential units for sale as well as lease.
- Ms. Hedeman confirmed that for-sale condominium units are part of Block 5A.

3. Union Square Update:

Eileen McGettigan, Michael Glavin and Thomas Galligani gave updates regarding Union Square redevelopment.

- Ms. McGettigan summarized the MLDA review process to date. Ms. McGettigan stated that she distributed the MLDA to the Somerville Redevelopment Authority (SRA) and to the Board of Aldermen on February 16th, 2017. Mayor Joseph Curtatone gave a presentation during the February 16th SRA meeting. When she distributed the document, Ms. McGettigan provided a cover memo to the MLDA. At the February 16th SRA meeting, the SRA made plans to discuss the MLDA during the February 23rd Special Meeting. At the February 23rd Special meeting, the SRA entertained public comments, responded to MLDA comments, and extended the public comment period until March 8th, 2017. There was a formal public hearing held March 8th in the Aldermanic Chambers. This meeting was recorded and is available online. During this meeting, the public comment period was extended to April 14th, 2017. The SRA was sent a packet on April 21st, 2017 that contained all MLDA comments received from February 17th onwards. An additional comment was received April 26th and was also sent to the SRA. The Development Covenant was finalized and executed by US2.
- Mr. Galligani presented a condensed version of the same presentation shown to the Land Use Committee during their April 4th meeting.

- Ms. McGettigan stated that she gave the SRA a copy of the Draft Community Benefits Ordinance (CBO) when it was made available. The CBO is currently before the Legislative Matters Committee.
- Ms. McGettigan stated that the revised version of the MLDA has been posted online. The revision was influenced by the neighborhood plan, and ensures a neighborhood park. The parcels for this park will be acquired by the time 30% of the Union Square project is completed and improved as park by the time 50% of the Union Square project is completed. The revision also clarified language within the MLDA. The revision also reflected changes recommended by Mr. Gage. All changes are marked within the revised copies of the MLDA distributed to the SRA and posted online.
- Mr. Gage inquired about the Development Covenant as related to the MLDA. Mr. Gage also asked about elements of the MBTA station.
- Ms. McGettigan stated that the MBTA station elements are currently under negotiation, but are likely to include a break room, bathroom and mechanical room for the MBTA station.
- Mr. Gage inquired about the specifics of the Design Review Committee (DRC), specifically how many people are on the committee, if the members are sourced from the Neighborhood Council, if the members are appointed by the Board of Aldermen.
- Mr. Glavin stated that the DRC is a standing committee established by the Mayor for review of all projects. The DRC is a seated board that already exists. It is currently comprised of five members, but is allowed to be larger than that.
- Mr. Gage inquired in regards to pages 36-39 of the Covenant, specifically if the high rise, commercial core, and podium building require 25% landscaping.
- Ms. McGettigan referred Mr. Gage to the proposed zoning, which is under consideration of the Board of Aldermen.
- Mr. Glavin stated that the proposed zoning started with 15% open space and of that, 8.9% of high quality open space. The high quality open space requirement was boosted to 17.5%, and the overall open space increased to 25%.
- Ms. Tate inquired in regard to the contributions, specifically where do the numbers come from and their relationship to regional norms.
- Mr. Galligani stated that the City used two different approaches that came together to figure out a reasonable contribution. There was an effort to align the City and community's needs with what the project can afford. One such need was the Green Line contribution, \$50MM to MBTA. It was determined that the City receive up to 50% developer contributions within the walkshed of Green Line stations to fund the \$50MM, which is the same approach as Cambridge with the Northpoint development at Lechmere station. The next need was off-site infrastructure-- a rational nexus for infrastructure needs was determined. The City worked with outside consultants, in conjunction with City staff to determine infrastructure

numbers. The City hired a consultant with public private partnership experience that looked at US2's development pro forma to determine the range of affordability to maintain financial feasibility. The development consultant, Barry Abramson, looked at other transit focused communities, such as Malden, Watertown, Medford, and determined what they exacted from large development partners. Mr. Galligani stated that the goal in this analysis was to determine a contribution amount to encourage development to pay bills, and also remain competitive.

- Ms. Tate inquired in regards to how Somerville compared to other towns.
- Mr. Galligani stated that staff looked at all of the other towns and made comments at the Board of Aldermen hearing. The contributions were determined to be a fair deal for the community, as remarked by our consultant.
- Mr. Glavin stated that in regards to comparison cities of our size, information was presented in other meetings that show the comparison. Based on the analysis, it is an unprecedented amount of contributions for a city of our size. Overall, the comparison was confirming.
- Ms. Tate stated that there was an assumption that the community would be at the table for negotiations. She stated that the negotiation of the CBO preempted negotiation with the community. Ms. Tate expressed concern about the sense of limitation in regards to the room for negotiation for the community. Ms. Tate inquired about the process from CBO to Community Benefits Agreement (CBA). Ms. Tate stated that it appears that the Neighborhood Council advises how to spend a predetermined fund, the Community Benefits Fund. Ms. Tate expressed that there was hope for direct community negotiation.
- Mr. Gage seconded Ms. Tate's comments.
- Mr. Glavin referenced an earlier slide about the role of the different documents. The Development Covenant is linked to the decision on the zoning and zoning is within the jurisdiction of the Board of Aldermen. Mr. Glavin stated that the items that could be locked in and were the responsibility of developer would be within documents that are currently available to you, including the MLDA, which is the under the jurisdiction of the SRA. Mr. Glavin stated that the City is not asking other groups to negotiate documents that are not their responsibility. Mr. Glavin stated that the Development Covenant and zoning go together. Mr. Glavin stated that the MLDA states that if the developer does not conform to responsibilities of the Development Covenant, zoning, CBO, the MLDA is ineffective. Mr. Glavin stated that the work done over the past two years is reflected in the CBO. Mr. Glavin stated that the jurisdictional responsibilities are clear and the power of the mayor was used to negotiate those documents. Mr. Glavin stated that he is looking forward to CBA negotiation.
- Ms. Bonney inquired as to when the CBA negotiation would occur.

- Mr. Glavin stated that some of the negotiations have been happening for some time. Mr. Glavin stated that the developer was a participant in the planning process, Civic Advisory Committee, meetings with mayor and stakeholders in the community. As soon as the Neighborhood Council or interim Neighborhood Council is formed, the discussion will continue.
- Ms. Tate advocated for including some neighborhood wants within zoning. Ms. Tate stated that she was asking about CBO and relationship between participating and negotiating. Ms. Tate stated that there is not a sense of community power within decision making. Ms. Tate inquired whether the CBO is a necessary mechanism to empower the Neighborhood Council to operate. Ms. Tate stated that if the Neighborhood Council can only advise how funds, that are already determined, are distributed then she is not satisfied.
- Mr. Glavin stated that after a thorough negotiation, the CBO is before the Board of Aldermen. Mr. Glavin stated that the Board of Aldermen has jurisdiction in approving the CBO. Mr. Glavin stated that as the City looks at and anticipates other development areas across the City, the City believes that neighborhoods across the city should benefit. Mr. Glavin stated that one can see this structure work with the Community Preservation Act program. Mr. Glavin stated that there is no final decision on the CBO and that the City will work with Board of Aldermen, and legal staff to finalize.
- Ms. Tate stated that until the CBO sets up a process of negotiation with the community, she is not ready to decide on the MLDA. Ms. Tate recognized past efforts, staff time, years of work by the developer as well. Ms. Tate expressed her displeasure with coming up short on the power of the community to negotiate directly.
- Mr. Glavin recognized and appreciated Ms. Tate's comment. Mr. Glavin clarified that the CBO is within the jurisdiction of the Board of Aldermen. Mr. Glavin stated that staff continues to recommend the decision of the SRA, and continues to recommend the opportunity to direct the dialog towards the Board of Aldermen. Mr. Glavin stated that staff will support these efforts.
- Mr. Gage stated his understanding that the Development Covenant was negotiated by the Mayor and the developer and that the Development Covenant requires US2 to negotiate with Neighborhood Council.
- Mr. Glavin confirmed Mr. Gage's statement and added that an interim Neighborhood Council could also negotiate.
- Ms. Tate inquired whether the aforementioned negotiations were direct negotiation, or partially a direct negotiation with recommendations being passed on to the CBO, a city body.
- Mr. Glavin stated that the CBO is a process for the decision making in regards to the distribution of the money locked in by the Development Covenant. This money is contributed by the developer, and held in a separate account. Mr. Glavin stated

that the Neighborhood Council would sit down with developer to discuss those things that have been identified by the neighborhood. The CBA would become an instrument of agreement between the Neighborhood Council and the private developer, which is US2 in Union Square. Mr. Glavin stated that should the CBA affect the amount of funding in the fund, the Neighborhood Council would go through a process to identify the funds needed to support a program. Mr. Glavin provided the example of US2 supporting a Technical Assistance program for small business, including the work of a consultant. The Neighborhood Council could request funds to help the program.

- Ms. Tate stated that there are two ways the Neighborhood Council could function. The first way would be to advise on spending of money that is already determined. The second way would be to negotiate with US2 on a loosely determined basis for additional benefits directly. Ms. Tate inquired as to what pressure is on US2 to negotiate and achieve results with the Neighborhood Council.
- Mr. Glavin referenced the five column slide from Mr. Galligani's presentation. Mr. Glavin stated that the neighborhood has no shortage of good ideas to benefit the neighborhood. Mr. Glavin stated that we believe that the quality of negotiation with Neighborhood Council or interim Neighborhood Council will touch on all of the benefits identified in the Neighborhood Plan and otherwise. Mr. Glavin stated that if the developer has not entered into an agreement in good faith, the MLDA will fail. Mr. Glavin stated that there will be a document of record and that the SRA is able to enforce the MLDA.
- Mr. Ercolini inquired whether the enforcement is incumbent on the SRA having acted in good faith.
- Mr. Glavin stated that the Development Covenant was negotiated by the executive powers of the Mayor. Mr. Glavin stated that if there is community sentiment that the developer has failed, the Mayor would provide the first opinion of record.
- Ms. Tate expressed that she is concerned that what would come out of CBA negotiations in light of the relationship with the Development Covenant. Ms. Tate stated that, having negotiated Assembly Square agreements, which came about because the community stopped development through lawsuits, covenants were a way to get the development through. Ms. Tate stated that she appreciates that what community wants has been moved into other documents, but there is a need to make it clear that the community has some power beyond relying on the Mayor to determine that the developer is working in good faith. Ms. Tate stated that the agreement should have additional language that states that the developer should agree with reasonable requests, specific language to be determined. Ms. Tate stated that she would like a stronger sense that the community should be at the table.
- Mr. Glavin stated that he appreciates the discussion and points. Mr. Glavin stated that he does not think anyone within the neighborhood would give up their right to raise their concerns about the developer. Mr. Glavin stated that these points still need to be discussed, and will be within the jurisdiction of others. Mr. Glavin

stated that there is a request before this board to move forward with the relationship with the developer to give them a firm agreement on their responsibilities and will be an impetus to continue the discussion within other jurisdictions.

- Mr. Gage inquired about page five, specifically the mention of US2 submitting a coordinated development plan.
- Ms. McGettigan stated that the coordinated development plan would be reviewed by the planning board. It is what US2 would need to move forward with final development plans.
- Mr. Gage inquired about page 10, specifically in regards to the block height adjustment and why this was done. Mr. Gage inquired in regards to the height that is allowed on the D2 parcel with proposed zoning.
- Mr. Glavin stated that the adjustment within the MLDA speaks to the addition of more open space, and more high quality civic space within the seven parcels. Mr. Glavin stated that some parcels are smaller and it would be difficult to provide enough open space on the smaller parcels. Mr. Glavin stated that open space in greater size and higher quality is preferred and that the preferred way to do it is to use all of one parcel for a public park or open space. Mr. Glavin stated that in the aforementioned scenario, the developer would be faced with the responsibility of acquiring land, but would not be able to build a building. Mr. Glavin stated that the amount of building on the large open site was displaced to other sites. Mr. Glavin stated that the D2 tower was planned to be 20 stories, however, if there are larger units with more bedrooms that still maintain the silhouette of building, the developer could add additional floors. Mr. Glavin stated that the agreement states that if you take the square footage that would have been built on the park site, that area can move to the high rise building. Mr. Glavin stated that he does not believe the height would go past 27 stories. Mr. Glavin stated that this density adjustment is not fulfilling all of the lost square footage from the park site and that they are looking to locate that square footage on other sites in addition to the high rise.
- Mr. Gage inquired about adding additional square footage to the podium building.
- Mr. Glavin stated that the podium building will be built to state building code, and the high rise tower will be built to the same standard, but the height of the tower calls for the use of other materials, such as steel. Mr. Glavin stated that adding square footage to an already strong steel building allows for the podium building to remain lower cost construction.
- Mr. Gage inquired in regards to the park parcels proposed for D4, identified as T and U, specifically, how these parcels were chosen and why.
- Mr. Glavin stated that discussions have been forwarded through planning, open space, and the Board of Aldermen. Mr. Glavin stated that the automotive uses on Webster that back onto the existing neighborhood and the size of the parcels

identified those specific parcels as sites for the park parcels. Mr. Glavin stated that the process allows for the identification of other parcels as the process continues.

- Mr. Gage inquired as to whether the identified parcels were placeholders.
- Mr. Glavin stated that D4 is the preferred site; however, if the PUD identifies another site, there is the opportunity to adjust. Mr. Glavin stated that the current plan would provide the existing residential neighborhood a new park.
- Mr. Gage inquired about page 22, specifically if major permit filings should be filed with the SRA.
- Mr. Glavin stated that he would like the SRA to be simultaneously informed to provide other bodies with review.
- Ms. McGettigan stated that the SRA may have to be a co-proponent.
- Mr. Gage stated that it should be mentioned if the SRA is the co-proponent. Mr. Gage requested a draft of Exhibit B.
- Ms. McGettigan stated that Exhibit B is in process, and would supersede the existing MOA.
- Mr. Gage remarked that there are a number of exhibits that are missing within the revised MLDA, including J, I, M.
- Ms. McGettigan stated that the prior version contained the exhibits and that they may have been unintentionally omitted. Ms. McGettigan stated that nothing has changed within the previously mentioned exhibits and that exhibit M, as previously revised, is in document.
- Ms. Tate inquired in regards to page 42, specifically the Letter of Credit percentage increase.
- Ms. McGettigan confirmed that there is a mechanism for the Letter of Credit to increase over time.
- Ms. Tate inquired in regards to the timing of residential and commercial construction.
- Mr. Glavin stated that the provisions of the MLDA limits the developer of residential to the first building on D2, except should the realization of affordable housing, specifically the family housing units, benefit from the location on other development parcels. Mr. Glavin stated that this exception is made in order to realize the number of family units, site the units closer to the ground, which is a preferable environment for families. Mr. Glavin confirmed that the developer must stop and cannot build additional residential until they have started commercial, and therefore job creating, development. Mr. Glavin stated that there is a need for housing and affordable housing, but throughout discussions, the City has realized that there is a need for job creating commercial buildings.

Vote: To authorize execution of the Master Land Disposition Agreement

- Mr. Ercolini made a motion to discuss the vote.
- Mr. Ercolini appreciated the hard work of city staff and neighborhood groups. He recognized that it was a long process, similar to Assembly Square and he really

appreciated the neighborhood groups and their contributions to this process. Mr. Ercolini stated that he hopes the BOA can move forward with zoning so the MLDA can move forward in concert. Mr. Ercolini stated that he is apprehensive toward the current federal administration. Mr. Ercolini encouraged all neighborhood groups to work towards a CBA.

- Ms. Bonney recognized the input of the community, the work by the city staff, and is looking forward to moving forward.
- Ms. Busnach thanked the community groups and recognized the number of hours devoted to this process. Ms. Busnach stated that different market factors made the development challenging, but the participation is beneficial.

- Motion by Phil Ercolini and seconded by Nancy Busnach.

- Approved, four in favor, one opposed (Tate).

- Ms. Tate expressed that she would have voted in favor of authorizing the execution of the MLDA, but would like the Community Benefits Ordinance to clarify the role of the community in negotiations.

Vote: To submit the Master Land Disposition Agreement to the Massachusetts Department of Housing and Community Development for review and approval in accordance with 760 C.M.R. 12.05(2)

- Ms. McGettigan explained that submittal of the MLDA for DHCD approval is the next step in the process.

- Motion by Nancy Busnach and seconded by Phil Ercolini.

- Unanimously approved

4. Other Business Not Reasonably Anticipated by the Chair

- No other business.

5. Selection of Date for Next Meeting:

- The regularly scheduled meeting on May 4th is cancelled.
- Next regular meeting will be June 8th, 2017.

6. Adjournment of Open Session:

Vote: Adjourn the Open Session of the April 27th meeting and to enter into Executive Session for the purpose of discussing litigation strategy. The Chair stated that the board would not be reconvening in open session.

- Motion to Adjourn the Open Session made by Nancy Busnach. William Gage seconded the motion. A roll call vote was held.

Iwona Bonney: Aye

Nancy Busnach: Aye

Phil Ercolini: Aye

William Gage: Aye

Anne Tate: Aye

All in favor. Open Session adjourned at 6:53pm.

7. Executive Session- Litigation Strategy

8. Adjournment