



CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE REDEVELOPMENT AUTHORITY

JOSEPH A. CURTATONE
MAYOR

NANCY A. BUSNACH
CHAIR

MINUTES

Thursday, February 16, 2017
Gallery 81, 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 Mayor Joseph Curtatone, Michael Glavin as Director of OSPCD, Eileen McGettigan as Special Counsel, Thomas Galligani as Director of Economic Development, and Emily Hedeman as Economic Development Assistant.

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

1. Approval of Minutes:

Vote: Approve the January 19, 2017 minutes.

- One edit
 - Page 2, Second bullet- remove the reference to “24 months”
- Motion to approve minutes made by Iwona Bonney, seconded by William Gage.
- Unanimously approved

2. Assembly Square Update:

Emily Hedeman gave updates on Assembly Square.

- Block 6 – construction continues on 447 apartments. Expect to start pre-sell on 4/1 with residents starting to move in August 1. Signed retail on ground level: Ann Taylor, Yankee Candle, Fragrance Outlet, Columbia, Massachusetts General Physician’s Office, and American Fresh.
- Block 11 (Partners) – FitRow tenants: Title Boxing, Orangetheory, and Squeeze Juice Bar.

3. Union Square Update:

Eileen McGettigan, Michael Glavin and Mayor Joseph Curtatone gave updates regarding Union Square redevelopment.



- Eileen McGettigan provided background on the Master Land Disposition Agreement (MLDA) process. She distributed copies of the MLDA to the SRA board members. Ms. McGettigan stated that the MLDA is the Purchase and Sale Agreement for the D2 Block and sets forth the agreement for the remaining six parcels. Accompanying the MLDA is a memo which summarizes the key provisions. Ms. McGettigan requested that the SRA review the memo prior to reviewing the MLDA.
- Ms. McGettigan stated that the purchase price is the total of the SRA's passthrough costs which is the amount that the SRA has paid for assembling and purchasing the parcels. One City parcel has already been transferred to the SRA, and another City-owned parcel will be transferred to the SRA. The two aforementioned parcels will be appraised. Any future expenses incurred by the SRA including the judgments in the eminent domain valuation lawsuits will be added to arrive at the total purchase price. There are also mechanisms to adjust the price according to the amount of zoning entitlements that US2 will receive.
- Ms. McGettigan stated that there are certain conditions for closing, which include the final agreement for MBTA-owned land, US2 obtaining building permit and MEPA approval, and the City providing enough funding for required infrastructure.
- The D2 parcel will be developed in phases, with residential adjacent to the proposed MBTA station occurring first, followed by office and lab.
- The MLDA includes a reverter clause and an outside completion schedule requirement that 50% of the parcels must be complete 10 years after the Union Square MBTA station completion date.
- US2 has provided a Certificate of Insurance and will also execute a guaranty once vertical construction begins.
- Phillip Ercolini inquired whether this was a typical MLDA?
- Ms. McGettigan stated that overall, the MLDA is typical, the only complication is that the SRA does not own all of the land that US2 is planning to develop.
- William Gage inquired whether the City owns the D1 and D2 parcels.
- Ms. McGettigan responded that the City owns most of D1 and one remaining parcel on D2.
- Michal Glavin stated that Ms. McGettigan has been very involved in putting together the MLDA. Based on Mr. Glavin's experience, MLDA's can vary based on several variables.
- Mr. Glavin requested that the chair recognize Mayor Joseph Curtatone and allow Mayor Curtatone to address the crowd.
- Mayor Curtatone expressed appreciation for the opportunity to speak in front of the SRA. While he rarely appears in front of the SRA, Mayor Curtatone felt that a matter of such complexity warranted it. He recognized the efforts of Ms. McGettigan over the past year in order to assemble the MLDA and that the MLDA is the product of strong due diligence on both sides. The MLDA is one of several puzzle pieces in the Union Square neighborhood- also including zoning, and other documents outlining community benefits. All of these pieces are evolving and part of the process. Mayor

Curtatone explained that he has been meeting with community members who have been providing valuable feedback. US2, the development partner is all in on this step. The City is open to comments and questions.

- Kevin Dickinson, a Rossmore Street resident, inquired in regards to the parcels that are not owned by the City and whether US2 will negotiate with the current owner and if the negotiations were to fall through, how the City was going to ensure that US2 would negotiate in good faith?
- Ms. McGettigan stated that all contracts should be negotiated in good faith, which we expect from our development partner.
- Ms. Busnach stated that in the Assembly Square development, the developer, FRIT, negotiated with all private parties and there was no need for the City to step in and mediate. This is not the first time that the SRA has completed this process and the SRA has high hopes and expectations that US2 will be able to successfully negotiate.
- Anne Tate inquired in regards to if the owner of a development parcel has plans that are consistent with the redevelopment plan, could the owner complete their own development without working with US2?
- Mr. Glavin stated that the development plan was created to maximize the opportunity on the parcels, and the consolidation of the parcels is necessary to complete this plan. If there was a smaller plan, the city would entertain the private plans, but would also still honor the agreement with the master developer.
- Mayor Curtatone stated that on the D5 parcel, the City enabled a conversation between the private landowner and the master developer. If another party is interested in engaging with the master developer in any capacity, the City is open to that.
- Ms. McGettigan stated that the MLDA has been distributed to the Board of Aldermen cubbies in City Hall. The MLDA will be posted online at <http://www.somervillema.gov/US2MLDA>
- Mr. Gage expressed that he wants to ensure that there will be significant job creation on D2.
- Ms. Busnach stated that the MLDA was not the right document for that indication.
- Ms. Tate confirmed that the MLDA is about the disposition of the land exclusively. Ms. Tate then inquired in regards to the role of the SRA in determining uses, jobs, or urban moves.
- Ms. Busnach stated that the SRA takes a broad brush on those topics and relies on other city teams for those reviews. With Assembly Square, the developer brought block plans of each step. Other city agencies, such as zoning and planning, review the smaller details. The SRA is the first step in allowing the master developer to proceed.
- Ms. Tate inquired whether the Assembly Square updates are a courtesy from the developer.
- Ms. Busnach responded in the affirmative.
- Mr. Glavin responded that the City is relying on the work that was done in devising the neighborhood plan, which involved City and community groups. The neighborhood plan will set the expectations, which will be codified in the zoning, which will then require the elements of jobs, commercial square footage etc. to be within the plans. The developer has

committed that they will brief the SRA on their plans. The SRA can provide feedback on the quality, scope and details of those plans.

- Karen Narefsky, a Perry Street resident, inquired in regards to the timeline for the SRA to make a decision on the MLDA.
- Ms. Busnach responded that the SRA would make a decisions fairly soon based on the past three years of work that have gone into the Union Square project. The SRA will review the document to confirm that the MLDA is consistent with their expectations. Ms. Busnach stated that the acceptance of the MLDA would be just the beginning of the next step and would provide permission for US2 to begin negotiations and acquisitions.
- René Mardones, an employee of Somerville Community Corporation, inquired whether there would be an opportunity for the public to provide comments on the document.
- Ms. McGettigan stated that public comments should be sent to Emily Hedeman, Economic Development Assistant at ehedeman@somervillema.gov.
- Mark Niedergang, Ward 5 Alderman, expressed appreciation at the opportunity to provide comments. Mr. Niedergang inquired whether the purchase price would have the ability to be adjusted based on the upcoming zoning decisions.
- Ms. McGettigan stated that the MLDA has provisions for the price to be changed.
- Mr. Dickinson inquired whether the expectation is that D2 will be 50% completed by the completion of the proposed MBTA Union Square stop.
- Ms. McGettigan responded that the MLDA states that the development on all of the parcels should be 50% complete within 10 years of the MBTA stop completion. There is flexibility in which blocks can be completed next, but D2 is first.

4. Other Business Not Reasonably Anticipated by the Chair

- Eileen McGettigan reminded the SRA members to complete their Conflict of Interest Training by February 24th, 2017.
- William Gage requested to discuss the SRA report previously distributed. This discussion will be added to the next regular meeting agenda.

5. Selection of Date for Next Meeting:

- Special meeting for MLDA discussion tentatively March 23rd, 2017 at 5:30PM
- Next regular meetings will be March 16th, 2017, April 13th, 2017, and May 4th, 2017.

6. Adjournment of Open Session:

Vote: Adjourn the Open Session of the February 16th 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

Nancy Busnach: Aye

All in favor. Open Session adjourned at 5:57pm.

7. Executive Session- Litigation Strategy

8. Adjournment