

**MINUTES**  
**Thursday, June 26, 2014**

The Somerville Redevelopment Authority met on Thursday, June 26<sup>th</sup>, 2014 in the Argenziano School Cafeteria at 290 Washington Street, Somerville, MA 02143

Present from the Somerville Redevelopment Authority: Nancy Busnach (Chair), Iwona Bonney (Secretary), James F. McCarthy (Treasurer), William Gage and Michael Dwyer. Also present were Eileen McGettigan as Special Counsel, and Sunayana Thomas, Economic Development Planner, OSPCD; Edward O' Donnell, Director of Economic Development, OSPCD.

Nancy Busnach, Chair, called the meeting to order at 5:35 p.m.. A quorum was present.

1. Approval of Minutes:

**Vote:** Approve the June 5, 2014 minutes.

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

2. Motion to authorize Ed O' Donnell to execute necessary documents on behalf of the Authority for state and local historic preservation review processes for Union Square.

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

3. Union Square

- Nancy Busnach, Chair, provided an overview of the Union Square Due Diligence trip that took place May 27-May 30<sup>th</sup>. She mentioned that the trip was extremely impressive and aggressive. The 10-person delegation traveled to see developments at Bethesda Row in Maryland (Federal Realty), Lakeshore East and University Village in Chicago (US2), the Brewery Blocks and the South Portland Waterfront in Portland, OR (Gerding Edlen) and Santana Row in San Jose, CA (Federal Realty). The delegation later toured developments by The Abbey Group.
- Nancy Busnach provided an overview of the selection process by the CAC and the staff report submitted by Wig Zamore, Co-Chair of the CAC. She explained that the process had been fair and balanced. She emphasized her appreciation for the hard work that the CAC members

put into this selection process and recognized that the SRA members will take into consideration their finalists for the master developer.

- The SRA considered four finalists recommended by the 20-member Union Square Civic Advisory Committee (CAC): Gerding Edlen, The Abbey Group, Federal Realty/National Development and US2. US2 is a partnership between Magellan Development and Mesirov Financial. The recommendations by the CAC on the top four developers were unanimously approved by the SRA at their meeting on May 8th.
- The CAC refined their selections further by providing a report with detailed analysis prior to the meeting. After extensive discussion, the CAC members evaluated the top four master developer finalists and reached a consensus on recommending Gerding Edlen and US2.
- The Economic Development Division within the Office of Strategic Planning and Community Development also submitted a staff report to the SRA prior to the meeting recommending Gerding Edlen and US2.
- Nancy Busnach opened discussion to the board for comments and reactions to the reports that had been provided to the SRA.
- SRA member William Gage provided comments and reflections regarding each of the development projects, process, and priorities. There was a general consensus that each of the SRA members were looking for a master developer who will focus on job creation for Somerville residents, focus on professional job opportunities rather than a large focus on retail, focus on low and middle income housing, support for existing local businesses , financing, experience with traffic & infrastructure, historic preservation and capable of working with the MBTA.
- SRA members focused largely on developers' financial capability.
- Iwona Bonney identified financial stability as the most important factor for the success of a long-term project. She said an increase in daytime traffic could help local businesses thrive on a 24/7 basis.
- Jim McCarthy was concerned with a developer's ability to build and stay in Somerville -- to work with the existing businesses and residents to improve the downtown while the character of Somerville is retained.
- Mike Dwyer narrated the due diligence milestones. He was concerned about what happened to Quincy Center that was aimed to be developed employing an elaborate developer-selection-process as this one. He cautioned that the Union Square project should not have negative impacts on job generation. He raised several questions: Who is going to buy and invest in the square? Who is going to build and sell? Stabilize rent for residential and commercial? Is retail going to bring-in non-retail businesses or vice-versa?
- Nancy Busnach emphasized the need for financial strength of the developer to sustain the work in Somerville. She noted that she was

particularly impressed by the financial resources of the Chicago group, as well as their innovative second mortgage program in the University Village development.

- Mr. Dwyer made a motion to go into executive session to discuss the developer candidates. Ms. McGettigan opined that going into executive session for this purpose was not permitted under the Open Meeting Law.

4. Selection of Master Developer

- Motion to vote on a Master Developer for Union Square made by Michael Dwyer and seconded by Iwona Bonney.
- Edward O' Donnell explained that the SRA and CAC have been discussing the master developer process for six months. The original list had very qualified candidates and it was a tough vote to narrow them down to four developers. The CAC has been meeting diligently and inviting public comments throughout the process. The Mayor asked the CAC to work on the project for two years. The CAC did release their report and focused on two developers and the OSPCD report focused on the same two. It is requested that the Board respect all the public process that has been provided.
- Unanimously voted and approved for Union Square Station Associates (US2) to be selected as the master developer for the Union Square Urban Revitalization Plan.

5. Motion to authorize Nancy Busnach to execute any necessary documents in furtherance of the vote of the master developer.

- Motion to approve by Iwona Bonney and seconded by William Gage.
- Unanimously approved.

6. Executive Session for the purpose of discussing litigation strategy. Ms. Busnach announced that the Board would not be reconvening in open session.

- Iwona Bonney motioned to go into Executive Session for the purpose of discussing litigation strategy and seconded by William Gage.
- Roll Call Vote:
  - James McCarthy: Aye
  - William Gage: Aye
  - Iwona Bonney: Aye
  - Michael Dwyer: Aye
  - Nancy Busnach: Aye

7. Adjournment of open session at 6:35 p.m.

