



Parcel P-3 PRC Meeting Notes
March 15, 2007
6:00pm-8:00 PM
Central Boston Elder Services
2315 Washington Street

PRC Members Present: Donovan Walker, Norman Stenbridge, Sandra Henriquez, Reginald Jackson, Marilyn Lynch, Pat Flaherty, Keith McDermott, Khadijah Brown, Maurice Sequeira, Bruce Bickerstaff; **OC Members Present:** Dan Richardson; **Public:** 10 people

Reggie Jackson (PRC Co-chair) welcomed the PRC and audience. The PRC then reviewed the meeting notes from the 3/8/07 meeting. John Dalzell (BRA) apologized for being a novice at taking notes. Pat Flaherty (PRC) raised a question about some missing conversation on page 3 of the notes.

Sandra Henriquez (PRC) stated that she missed the last two meetings so she had no comment on the notes, but she wanted to state that she did not feel this was a clean process and it is fatally flawed. It does not coincide with laws of procurement and 30B. She questioned whether we are actually serving the community through this process. Money that has already been spent by the developers is unfortunate, but this is the cost of doing business. This keeps on getting murkier as we go.

Keith McDermott (PRC) pointed to page three and clarified that he meant that changes should be expected in the proposals in order to meet the financial requirements of the RFP. He did not feel that these were entirely new proposals and this was his central point. Some structural changes should be expected.

Reggie (PRC) stated that the next steps were to review the process steps and the schedule. The group has received a revised timeline. The next meeting will be on 3/22 and we will be looking at financial information at that meeting. The PRC will also address abutter concerns at that meeting. This week and next we will be collecting and formatting questions for developers.

John (BRA) stated that BRA staff member Tony Marinello (BRA) had an obligation this evening (3/15) but would be available to meet with the PRC on 3/22 to present financial information of the re-submittals to the PRC. Questions raised by the PRC have been shared with him to help frame the discussion on 3/22.

Reggie (PRC) thanked him for the information.

Sandra (PRC) referred to the schedule and asked if 4/5 and 4/12 were reserved for developers. She recommended each developer having their own session to do justice to each proposal equally. Reggie (PRC) asked how the group felt about this suggestion.

Dan Richardson (OC) stated that this was the original schedule.

Keith (PRC) felt that before getting into the schedule, he asked the BRA to confirm that all three teams met the lease requirement.

John (BRA) replied that they did. Keith (PRC) asked if they did in cash. Hugues Monestime (BRA) replied yes and that the BRA intended to walk the group through this tonight.

Keith (PRC) asked if each proposal required a subsidy or do they have enough equity. Hugues (BRA) responded that the conversation was jumping around and that let's try to review everything as a group.

Pat (PRC) went back to Keith's first question, stating that although she will miss next week's meeting, the financial hurdle will be very important in order to compare proposals.

John (BRA) responded that based on the BRA's review of the three proposals, all have met the basic requirements. The underlying question is not none are off the table and all warrant a full review. Tony's (BRA) job will be to relay how well the teams have done this.

Reggie (PRC) stated that the agenda calls for looking at criteria tonight so we will get there. It will be key to helping us look at things.

Khadijah Brown (PRC) stated that 4/19 was school vacation and that she would be unable to make that meeting.

John (BRA) asked the group if one developer per meeting was agreed upon, and the reply was yes. He then went on to state that this meeting and next would focus on reviewing the proposals and developing questions for the developers. Once the interviews are completed, the PRC would then have a meeting to make a final recommendation. A number of selection criteria are financial, and will break them into two groups, with the financials being discussed next week. Are people ok with this?

Reggie (PRC) responded that this seemed fine. Norman Stenbridge (PRC) asked about scheduling a meeting on 3/29.

Dan (OC) asked for a Point of Information, asking about Khadijah's conflict on that day. Pat (PRC) clarified that they were talking about different months. Would the first interview be on 3/29?

John (BRA) confirmed that it would be, and the following two meetings would be the same as well. There would be no meeting on 4/19 due to schools' April vacation. Reggie (PRC) stated that the final meeting would be pushed back a week to 4/26/07.

Norman (PRC) confirmed some dates.

Hugues (BRA) asked that as the developer meetings would focus on questions and not a presentation, and could two of the meetings be combined into one night? Reggie (PRC) responded that it seemed the PRC felt otherwise. Hugues (BRA) stated his concern about running into the Bartlett Yard process.

Norman (PRC) replied that we knew this would happen eventually, but each developer needs their own night. Reggie (PRC) stated that it was time to move on.

Pat (PRC) stated that she did not want the developers to make a long presentation rather they should answer questions. Reggie (PRC) felt this was a good point.

John (BRA) moved on to selection criteria. He referred to a handout and stated it utilized the same criteria as last summer. The guidelines were pulled from the RFP and that Urban Design Elements had been broken out to help the process. The goals have been abbreviated to some extent. Our intent was for the PRC to be able to use this as a worksheet for notes and comments throughout the process.

Reggie (PRC) suggested the PRC go through this to see if there were any issues with the language or something was omitted.

Bruce Bickerstaff (PRC) brought up that first objective, stating it should better match the RFP language. John (BRA) said it could be revised. He wanted "supporting wealth generation in Roxbury" to be added. John (BRA) asked the PRC to make the adjustment to their worksheet.

Reggie (PRC) stated that the structure of this form does not match the format of the RFP and should be modified. John (BRA) replied that the worksheet was offered as shorthand to help and was not intended as a substitute for the RFP.

Dan (OC) made a Point of Information, suggesting it would be easier for people to refer to the RFP, so let's structure this the same way as the RFP. It is easier that way.

Bruce (PRC) asked if this was a report card.

Reggie (PRC) stated that the PRC would go through the criteria; the BRA should re-frame it so that it matched the RFP. Let's assume the content is here and move forward.

Keith (PRC) asked if the worksheet should mirror the RFP? Bruce (PRC) replied yes.

John (BRA) stated that he believed the format reflects the format of the RFP selection criteria. The shorthand might be a problem. These editing choices were made last

summer and intended to help the process. It was not revised so it would remain familiar to the PRC.

Reggie (PRC) let's try to go through this and make sure the content is here.

Khadijah (PRC) felt that from the BPS perspective, there was not a lot mentioned about youth, education, or music programs. There should be something related to this.

John (BRA) replied that in this case, the P-3 RFP governs the process, and this is where the criteria come from. We should also note other aspects that you feel are important. In the next RFP, some of these should be included.

Hugues (BRA) stated that Section I, under special features, would be a good place for this discussion.

Khadijah (PRC) stated that there was a lot of language about economic development and this (education) should be mentioned specifically.

Reggie (PRC) stated that we need the shorthand to reflect these issues and that youth should be mentioned.

Hugues (BRA) suggested forgetting the form and just extracting the goals from the RFP.

Reggie (PRC) stated that the worksheet is a tool and that the PRC should be comfortable with it in order to use it. Keith (PRC) stated it is just one tool, not the only one.

John (BRA) suggested getting all PRC members a full text copy of the criteria from the RFP.

Reggie (PRC) asked if this seemed reasonable. Norman (PRC) asked if it would be part of the worksheet. John (BRA) replied that the BRA would get the info to the PRC.

Maurice Sequeira (PRC) asked if the RFP is the criteria, how we choose. Will the worksheets be taken and tallied? There are also different things when looking at objectives. He does not see some of the goals outlined in these proposals.

Reggie (PRC) thanks him for his comments and stated that tonight the goal was to set up instruments to make these judgments. Are there other pieces to deal with?

Keith (PRC) wanted all three proposals next to each other, creating one snapshot of all of them. John (BRA) replied that the BRA would be happy to put it back into that format.

Bruce (PRC) was curious as to the BRA's opinion on what was submitted with regards to the RFP and RSMP. Some things seem to go against the RFP. He would like to get some clarity on the BRA's view. For example, "submission completeness" has been discussed for months.

Hugues (BRA) stated that without guiding you, we will be able to tell you where the proposals were lacking and what was important. For example, why was housing pro forma not submitted? In many cases, things that should have been there were not submitted.

Sandra (PRC) asked if the PRC materials were the same as the BRA's. Hugues (BRA) replied that they were.

Bruce (PRC) asked about a summary. John (BRA) replied that the BRA has done one to assist the PRC. Hugues makes a good point; we want the PRC's opinion on these proposals.

Reggie (PRC) suggested moving on to the review of the proposals. He also recognized RNC Chair Bob Terrel. Bob Terrel (RNC) recognized fellow RNC members Bette Toney and Julio Henriquez.

Reggie (PRC) asked John (BRA) to walk through the proposals.

John (BRA) reiterated that tonight was not a focus on the financial information. He stated that he would go through each objective for each project. We also want to compile questions for the developers to ask in the interviews. He began with wealth generation for the community.

Bruce (PRC) stated that there were specific suggestions in the RFP for this type of stuff. This should be remembered in this discussion. For example, cultural uses could be an economic engine as well.

John (BRA) state that he would go through each one and solicit comments.

Hugues (BRA) stated that as we review, the re-submittals were often without elaboration on certain subjects. There were no completed with the same level of detail as the earlier submittals.

Keith (PRC) felt that this was something that should be asked of the developers. Where are the changes and why? What was the rationale? For example, why did you decrease the retail space?

Pat (PRC) stated that the question was more than just "where did it go?" But how is this proposal related to the last one. How does the revision meet the job creation and economic development goals in the RFP?

Keith (PRC) stated that the questions should be applied to the entire program and any changes.

Hugues (BRA) stated that in order to get the new program breakdowns, the BRA had to compare the re-submittals to the original submissions. In some cases the information is spelled out, in others it is not. We will ask them to spell it out for the BRA and PRC.

Sandra (PRC) asked if a parenthesis meant that something was in the proposal, but not articulated. Hugues (BRA) replied yes.

Sandra (PRC) asked where the 12,000 of “other” new space came from.

Dan (OC) raised a Point of Information; the BRA has said that the re-submissions are ok. Now they are telling you that some information is not there and the BRA is informing us what is missing.

Pat (PRC) asked where the Whittier Street Health Center was in these proposals. How is it categorized? How do we examine this?

John (BRA) replied that the BRA reported what was submitted. Hugues (BRA) added that this happens a lot. For example, Heritage Common has removed the hotel and changed it to office space. How do you change this? Where do you put them? Is it reflected in the financials and the square footage? It seems they did not get to that level because this was a financially focused re-submittal. They will be coming into the BRA to make sense of this.

Dan (OC) felt that this was the same issue. The BRA took the proposals as they came in, but if you accept imperfect proposals and hand it to us, you do us a disservice. Either the proposals are sound or not. I do not want this. Give us a threshold where everyone is the same so we can make a decision. If developers get to do it their own way, this is not good. I feel like I am being danced around. We need information to make a decision.

Hugues (BRA) stated that clarification of cultural use was also needed. Is it included in the ground lease? But, the second time around, all have met the lease requirements.

Dan (OC) made a Point of Information, asking if the \$3/square foot is the only threshold for evaluation? If so, is it the only one that makes a difference? Now, everyone is at the lease price. It is important to ask the BRA about the importance of other variables. They seem like throw-ins.

Keith (PRC) felt that the primary criterion was the ground lease. Hugues (BRA) stated that this was one of five re-submittal requests. John (BRA) added that it is one piece of the overall process.

Keith (PRC) replied that if so, based on what I see, these proposals do not fully meet the threshold. Based on our own experience and background, if a proposal makes sense economically, how do we consider all the factors?

Pat (PRC) asked if it was the BRA’s determination that all uses meet the \$3/square foot requirement. Hugues (PRC) replied that the BRA was still examining this. Pat (PRC) asked if all the uses should have to carry that. For example, what about affordable housing?

Hugues (BRA) replied that they would, but there are still aspects to be worked out. For example, how do you factor in the lease for a condo?

Keith (BRA) stated that the BRA is not helping a developer through this process with this.

Pat (PRC) stated that value is determined by use.

Dan (OC) stated that the PRC evaluation process is it. The BRA needs to clarify these issues because once tentative designation begins, the BRA can make the developer do whatever they want.

Sandra (PRC) stated that the BRA has presented a set of objective criteria about the financials, the rest of the evaluation process is subjective. Is the proposal as full and rich as possible? If the proposals meet the financial criteria, you are free choosing what speaks to you. Is it just financial, what about feasibility? Are these other factors in the mix?

Hugues (BRA) replied that as long as the proposal meets the RFP criteria.

Sandra (PRC) stated that she thought it unlikely that any developers would get a 100% on the checklist. This is where it becomes subjective.

John (BRA) stated that all three meet the lease requirements, but it is not cut and dry. These are rough ideas that have been well developed. Part of the evaluation here is how well these ideas meet the RFP. The proposals have varying strengths and the PRC provides guidance on how they have met the overall objectives. He suggested that Dan had characterized it correctly that in large development proposals, once the team is in place, the proposals will be refined and evaluated based on the RFP criteria and changes in the market. This is the beginning of the discussion. Which team best meets the criteria and demonstrates the ability to do this project? It will evolve, but still reflects the community vision.

Maurice (PRC) stated that he remained unclear about this. Look at what was submitted. Tremont Center needed student housing to make it work, now they can make it work without it. Heritage Common needed the hotel, now they don't. I still don't see it. There is no clarification. There will be dorms and hotels on P-18 across the street. Where are the community benefits?

Reggie (PRC) stated that hopefully next week's financial pitch will clear some things up.

John (BRA) stated that this is fundamentally your job to ask these questions. The job of the PRC and the BRA is to look at the numbers and see if it works.

Pat (PRC) stated that feasibility and viability needed to be raised. She realized this was next week's discussion. We expect more than financial analysis. There needs to be an analysis of the program mix. These questions need to be raised. Get the questions from last week and put them in the minutes.

Norman (PRC) stated he wanted more information as well. If the PRC sees a hole in a proposal, then it needs to be addressed. If this process is going to work, the BRA, the PRC and the developers need to have their feet put to the fire.

Hugues (BRA) offered that next week the BRA was not going to say that any of the proposals did not qualify. The BRA will put numbers in front of you to show where the faults are. Does one or more meet the requirements of the RFP? Chances are we will also have to look at track record and experience.

Reggie (PRC) asked John to read the questions for next week out loud.

John (BRA) read: 1.) Do teams have the capital/equity to do this? 2.) Do you have the financial capacity to meet the ground lease? 3.) What is the project phasing? 4.) Is the project economically viable?

Keith (PRC) asked for clarification on what financial viability meant. Can this be explained? For the Reggie Lewis Center, how does this jive with our needs?

John (BRA) replied that these are judgment calls.

Sandra (PRC) asked about how long it would take for Phase I to be viable. Does Phase I enable Phase II? When do they see each of these uses breaking even? If I build housing, can you sell it? How long will it take for the project to generate money? Also, the equity partners need to be paid. How long does this take? How far out does it go for the deal to work out?

Hugues (BRA) stated that pre-development equity was also important.

Dan (OC) felt it was important to know the debt service.

Meeting Adjourned.