STRATEGIC PLAN STATUS AND UPDATES

CRA Board Meeting
October 16, 2013

1. Vision
2. Strategic Issues
3. Objectives and Targets
4. Next Steps
STRATEGY FRAMEWORK: BALANCED SCORECARD

Who are our “clients”? Who are we serving?

What line of business will generate revenue to sustain the organization?

FINANCIAL
To succeed, how should we appear to “shareholders”?

CLIENTS
To achieve our vision, how should we appear to our clients?

INTERNAL PROCESSES (OPERATIONS)
To satisfy our clients and shareholders, what processes must we excel at?

Mission Vision Strategy

LEARNING AND GROWTH
To achieve our vision, how will we sustain our ability to change and improve?

Evaluation and assessment

What are key operating principles?

Adapted from Kaplan, Robert and David Norton, “Linking the Balanced Scorecard to Strategy.”
CRA MISSION: COMPONENT PARTS

1. **INSPIRATION:** We are committed to implementing imaginative, creative initiatives to achieve **social equity and a balanced economic system**.

2. **CONSTITUENCY:** We **work in the public trust** to bring a human dimension to development improving the quality of life for residents, businesses, employees, and visitors.

3. **OPERATIONS:** Our goal is to **balance economic vitality, housing, and open space** to create sustainable communities through new and revitalized development.

4. **IDENTITY:** We are an **independent, agile public authority** bringing a unique set of redevelopment tools to work in close partnership with the City of Cambridge and other organizations.
IN FIVE YEARS . . . The CRA will be engaged in multiple projects that together foster economic growth and development for the City of Cambridge. Through strategic community investments and real estate projects, the CRA will be creating landmark places with enduring urban design, vibrant civic spaces and sustainable infrastructure. With its unique ability to merge the public interest with private sector expertise, integrating socio-economic goals with market opportunities, the CRA will have made significant contributions toward improvement in the quality of the life for residents, employees, and visitors.

The CRA will be a well-known, trusted institution within the City and the region. It will be respected by residents, the business community, the City and other partners for its ability to act nimbly, to implement planning recommendations, and to improve the built environment of Cambridge. It will be a relatively small yet efficient, independent operation, with a well-regarded Board that will be responsive to community concerns and will ensure that its decisions are transparent and sound.

The overall mix of CRA projects will be the foundation for a sustainable business model that will generate revenue through project fees and third-party funding, while allowing the CRA to invest in small-scale initiatives related to its mission. The CRA staff will work in close partnership with the CDD and other City staff, and will manage a mixed workload that includes property management, real estate transactions, project management, community investment programs, design review, and longer-range strategic initiatives for key redevelopment areas.
CRA VISION – COMMENTS AND DISCUSSION

IN FIVE YEARS . . . The CRA will be engaged in multiple projects that together foster economic growth and development for the City of Cambridge. Through strategic community investments and real estate projects, the CRA will be creating landmark places with enduring urban design, vibrant civic spaces and sustainable infrastructure. With its unique ability to merge the public interest with private sector expertise, integrating socio-economic goals with market opportunities, the CRA will have made significant contributions toward improvement in the quality of the life for residents, employees, and visitors.

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1. **Act:** Complement the City’s planning role by focusing on implementation using redevelopment tools imaginatively.

2. **Operate with transparency:** Be visible and foster face to face relationships and a forum for discussing ideas.

3. **Maximize the public benefit:** Serve a broad public purpose with ethically sound practices in partnership with the City and others.

4. **Operate with fiscal responsibility:** Use our independent resources wisely to accomplish our mission.

5. **Set an example:** Through our actions, advance thinking on issues with long term consequences and within a larger context, be innovative yet with an awareness of history.
STRATEGIC ISSUES

• **Operations:** staff allocation of time, internal capacity, upcoming office lease

• **Financial:** lack of a steady revenue source; depleted cash reserves over time; potential new development revenues

• **Governance:** decision-making process including committee reports and Board actions; forward calendar of regular business and new business on the Board agenda.

• **Legal and Regulatory Environment:** existing and proposed MXD/PUD zoning; UR Plan and Development Agreements and potential amendments; State directives and enabling legislation; ongoing look-backs

• **Partners and Community:** City goals and policies; neighborhood and partner interests and initiatives

• **Real Estate Market:** private sector interests; cost of land and development, especially for housing; economic cycles
To succeed, how should we appear to shareholders?

FINANCIAL
Objectives  Measures  Targets  Initiatives

To achieve our vision, how should we appear to our clients?

CLIENTS
Objectives  Measures  Targets  Initiatives

To satisfy our stakeholders, what processes must we excel at?

INTERNAL PROCESSES (OPERATIONS)
Objectives  Measures  Targets  Initiatives

To achieve our vision, how will we sustain our ability to change and improve?

LEARNING AND GROWTH
Objectives  Measures  Targets  Initiatives

Vision and Strategy

Adapted from Kaplan, Robert, and David Norton, “Linking the Balanced Scorecard to Strategy.”
FINANCIAL OBJECTIVES

Operate with fiscal responsibility: Use our independent resources wisely to accomplish our mission.

Revenue Growth and Mix:
• Set targets on new projects, programs, and new initiatives

Cost Reduction/Productivity Improvement:
• In budget process, set targets on efficient use of funds related to costs and shared resources.

Asset Utilization:
• Set targets for establishing financial policies and managing accounts

Adapted from Kaplan, Robert and David Norton, “Linking the Balanced Scorecard to Strategy.”
REDEVELOPMENT FUNDING SOURCES: EXAMPLES

1. **Existing CRA Funds**
   - Investment Dividends
   - Spend-down Funds for Projects and Programs
   - Invest funds in Land and Property

2. **Real Estate Transactions and Management**
   - Urban Renewal Entitlement Revenue
   - Land Sales
   - Lease Revenues
   - Property Management

3. **Project Administration Fees using Sources such as:**
   - District Improvement Finance/Tax Increment Finance (DIF/TIF)
   - Tax Credits: New Market, Low Income
   - Low Interest Loans: MassDevelopment, City bonding
   - Infrastructure: I-Cubed, MassWorks, Municipal CIP

4. **Program Administration Fees, such as:**
   - Community Development Block Grants (CDBG)
   - Façade and Small Business Loans
   - Federal/State Demonstration Programs (eco-district, smart growth, energy, brownfields, etc.)
   - Technical Assistance to City, non-profits, other cities
   - Business Improvement District (BID) Assessments
INTERNAL PROCESS OBJECTIVES

Act: Complement the City’s planning role by focusing on implementation using redevelopment tools imaginatively.

Operations:
• Staff allocation of time
• Internal capacity and new staff
• Upcoming office lease

Governance:
• Decision-making process including committee roles and Board actions
• Forward calendar of regular business and new business on the Board agenda
• Policies and Procedures: accounting, financial, benefits, HR

<table>
<thead>
<tr>
<th>To satisfy our stakeholders, what processes must we excel at?</th>
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<tbody>
<tr>
<td>INTERNAL PROCESSES (OPERATIONS)</td>
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<tr>
<td>Objectives</td>
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CLIENT / EXTERNAL OBJECTIVES

**Operate with transparency:** Be visible and foster face to face relationships and a forum for discussing ideas.

**Maximize the public benefit:** Serve a broad public purpose with ethically sound practices in partnership with the City and others.

Legal and Regulatory Environment:
- Set targets related to new zoning, urban renewal plan, development agreements

Partners:
- Set targets related to relationships and projects with City and private and non-profit partners

Real Estate Market:
- Set targets within context of market context
# INTERNAL PROCESS OBJECTIVES: STAFFING

## CRA Staffing and Workflow Projections

**10/9/2013**

<table>
<thead>
<tr>
<th>ADMIN</th>
<th>FINANCIAL MANAGEMENT</th>
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<tbody>
<tr>
<td>Office Management</td>
<td><strong>Budget</strong></td>
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<tr>
<td>Correspondence</td>
<td>Budget tracking &amp; reports</td>
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<td>Supply Requisitions</td>
<td>Process Invoices/ Purchase Orders</td>
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<td>Filing Systems</td>
<td>Encumbrances</td>
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<td>Subscriptions/ Memberships</td>
<td>Cash flow</td>
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<td>Furniture/ Layout</td>
<td>Vendor Negotiations*</td>
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<td>Phone System</td>
<td><strong>Funds Management</strong></td>
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<td>Equipment</td>
<td>Taxes</td>
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<td>Timesheets/ Payroll</td>
<td>Banking &amp; Insurance</td>
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<tr>
<td>Records/ Archives</td>
<td><strong>Payroll / Benefits</strong></td>
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<tr>
<td>Space/ Lease</td>
<td>Treasurer coordination</td>
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<td>Software/ IT*</td>
<td>City Coordination</td>
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<tr>
<td>Insurance*</td>
<td>Cost reductions &amp; operational improvements*</td>
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<tr>
<td>Website*</td>
<td>Equity and debt financing*</td>
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<tr>
<td><strong>Management</strong></td>
<td>Accounting policies/procedures *</td>
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<td>Facilitate Audit</td>
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**Key**
- * Potential Outsource

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<thead>
<tr>
<th><strong>Entry Level</strong></th>
<th><strong>Mid Level</strong></th>
<th><strong>Executive Level</strong></th>
<th><strong>Board Level</strong></th>
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</table>

*Board Oversight & Working Committees*
###内部流程目标：人员配置

####人员资源
- 招聘/人员配置
- 员工关系
- 广告
- 屏蔽
- 岗位描述
- 面试
- 选择
- 训练
- 绩效审查
- 遵守：雇员和承包商*
- 政策和程序*

####董事会
- 会员
- 委员会
- 会议
- DCHD通知
- 物流（时间和地点）
- 物流（地点，食品，通知）
- 培训
- 议程
- 档案过去会议
- 名额（州任命）
- 战略：金融，执行/人员，法律，设计，基础设施委员会
- 分析
- 执行官报告
- 年度报告/年度会议
- 年度策略

####管理
- 板块监督及工作委员会

####关键
* 存在外包可能性

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英语

* Cambridge Redevelopment Authority

英语

* September 2013
INTERNAL PROCESS OBJECTIVES: STAFFING

CRA Staffing and Workflow Projections

<table>
<thead>
<tr>
<th>PROGRAMS AND PROJECTS</th>
<th>Project Management</th>
<th>Program Mgmt</th>
<th>Property Mgmt</th>
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<tbody>
<tr>
<td>Administrative Tasks</td>
<td>Administrative Tasks</td>
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<tr>
<td>Predevelopment Activities</td>
<td>Program Policies &amp; Procedures</td>
<td>Lease Negotiations</td>
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<tr>
<td>Pre-Development Cooperation Agreements</td>
<td>Applications Process</td>
<td>Tenant Relations</td>
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<td>Project Team</td>
<td>Loan Reviews</td>
<td>Vendor Contracts</td>
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<td>Due Diligence</td>
<td>Financial Management</td>
<td>Maintenance &amp; Repairs</td>
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<td>Project Viability</td>
<td>Security Systems</td>
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<td>Funding</td>
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<td>Schedule and Phasing</td>
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<td>Conceptual Design Review</td>
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<td>Developer RFP Process</td>
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<td>Development Agreements</td>
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<td>Project Monitoring</td>
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Management

Board Oversight & Working Committees

Key

* Potential Outsource

Entry Level
Mid Level
Executive Level
Board Level
## CRA Staffing and Workflow Projections

### ACTIVE INITIATIVES

<table>
<thead>
<tr>
<th>Project/Program Management</th>
<th>KS Design Review</th>
<th>Ames St</th>
<th>Foundary</th>
<th>Volpe</th>
<th>K2 Zoning</th>
<th>Linear Park</th>
<th>Point Park</th>
<th>Comm. Loan Grant</th>
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<tr>
<td>Administrative Tasks (schedule meetings, manage files, contacts, etc.)</td>
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<td>Participate in Predevelopment Actions (City Coordination, Site Tours, Best Practices, etc.)</td>
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<td>Draft Cooperation Agreements, Partnerships, and/or Terms</td>
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<td>Assemble / Coordinate Project Team</td>
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<td>Conduct Due Diligence (Engineering, Environmental, Traffic, Land Ownership, Dispositions, Zoning, Entitlements, etc.)</td>
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<td>Evaluate Project Viability (Program, Financial Feasibility, Partners, Deal Structure, Goals, etc.)</td>
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<td>Identify 3rd Party Funding Sources (MassDevelopment, Tax Credits, etc.)</td>
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<td>Establish Schedule and Phasing</td>
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<td>Prepare or Review Conceptual Designs</td>
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<td>Draft Applications or Developer RFP, Review, and Select</td>
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<td>Negotiate Development Agreements</td>
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<td>Monitor Project Progress; Change Process as necessary; Wrap-up</td>
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**Key**

- Immediate Actions: ✓
- Potential Actions: 0
LEARNING AND GROWTH OBJECTIVES

Set an example: Through our actions, advance thinking on issues with long term consequences and within a larger context, be innovative yet with an awareness of history

Community:
• Set targets for ongoing community outreach

Organizational:
• Set targets for how we can continue to promote innovative practices

Internal:
• Set targets for employees learning and professional growth

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Cambridge Redevelopment Authority  DRAFT  September 2013