



HARVARD Kennedy School
JOHN F. KENNEDY SCHOOL OF GOVERNMENT



THE FUTURE OF THE SOMERVILLE REDEVELOPMENT AUTHORITY

Aligning Governance with Economic Strategy

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Submitted to Somerville Mayor Joseph Curtatone

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1. EXECUTIVE SUMMARY

Somerville is a city on the rise. In the past decade, the city has witnessed significant economic growth and community development, growth and development that will accelerate into the next decade and beyond. Yet, while the city’s economic planning and development strategies have matured to meet the needs of a newly thriving city, a significant part of its governance structure has not. Specifically, the Somerville Redevelopment Authority (“SRA”)—the municipal agency charged with urban renewal—has not fully evolved to meet Somerville’s economic imperatives and the goals laid out in the city’s master plan, *SomerVision*.

Referring to the SRA, Somerville Mayor Joseph Curtatone articulated, “We have a 20th century model for a 21st century growth plan.” As such, this policy analysis exercise examines the optimal governance structure and processes for redevelopment in the City of Somerville. Accordingly, it seeks to answer the question:

Given Somerville’s anticipated and desired economic development over the next two decades, what are the optimal structures, organizational processes, and programs and policies the Somerville Redevelopment Authority could adopt to facilitate that development?

Our research revealed a number of strengths and assets the SRA has at its disposal. First and foremost, the City’s economic planning staff provides significant technical, legal, and administrative support, and in doing so, it serves as the SRA’s engine driving its agenda forward. Similarly, the city’s planning agencies coordinate relatively effectively with one another. Finally, the SRA itself is composed of individuals sincerely committed to smart and equitable development in Somerville with strong ties to the community.

Still, this research revealed a number of key findings in identifying current deficiencies and areas of growth with respect to the Somerville Redevelopment Authority:

- **Finding #1:** The SRA has an opportunity to enhance its ability to create value through new programs or policies in the context of accelerating economic development, while continuing to safeguard against the potential abuses of land-taking.
- **Finding #2:** The SRA lacks even modest amounts of human and financial capital to meet the changing economic development needs of Somerville.



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- Finding #3: The SRA currently lacks sustainable and meaningful platforms for community engagement and therefore lacks credibility among constituents.
- Finding #4: The SRA exists within a delicate balance of power between the Board of Aldermen and the Mayor.

Perhaps most importantly, the SRA has not clearly outlined a mission or a long-term strategy with respect to fulfilling its mission.

Beyond Somerville, interviews with other municipalities show that the Somerville Redevelopment Authority is not living up to its full potential. Our interviews with neighboring and comparable municipalities further revealed that the SRA is behind the times in terms of operations, governance, and policy:

- Finding #5: Redevelopment agencies exhibit a range of tools, assets, capacities, and approaches beyond land-taking that help them stimulate development in blighted and underinvested areas.
- Finding #6: While the SRA has neither a budget nor a fully-dedicated staff, other municipalities use a variety of financing tools and staffing structures to ensure their redevelopment authorities have the capacity they need to create value.
- Finding #7: While most municipalities simply meet legal requirements with respect to citizen engagement, some offer innovative public engagement tools that could potentially enhance the SRA's ability to build support for its projects.

Based on the findings and analysis in this report, the following recommendations will advance the goals and values set out in *SomerVision*. To do so, this report accompanies these recommendations with a series of action steps that will build credibility with the community, professionalize the SRA staff, and streamline the agency's processes. These recommendations also help ensure the political, financial, and organizational stability of the SRA as it heads into era of unprecedented redevelopment.

Recommendation #1: The Mayor and the Board of Aldermen should maintain the organizational structure of the redevelopment agency.

Recommendation #2: Key city and citizen stakeholders should develop and implement a strategic plan that clearly defines the SRA's mission, goals, and direction.

Recommendation #3: The Mayor and the Board of Aldermen should build the SRA's capacity through the appointment of at least one fully dedicated staff member.

Recommendation #4: The Mayor and the Board of Aldermen should build the SRA's capacity through modest capitalization.



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Recommendation #5: With adequate staffing and financing, the SRA should pursue more nimble and smart real estate transactions that create value for Somerville.

Recommendation #6: The newly appointed SRA Executive Director should work to proactively engage the community through multiple platforms.

Recommendation #7: City stakeholders should develop a set of principles that will help guide future SRA appointments.

The recommendations in this report are a first step of a longer process. Admittedly, they are not revolutionary ideas. From increasing staffing to engaging community members, however, these seemingly small recommendations have the potential to revolutionize the way the SRA and City of Somerville approach redevelopment. Inasmuch, these recommendations serve as a launch pad for further discussion as to what the SRA is, who it serves, and how it can best serve them.

On behalf of the citizens of Somerville, we hope those discussions bear fruit in the form of a forward-thinking, proactive, and revitalized redevelopment authority.





2. INTRODUCTION

Somerville is a city on the rise. In the past decade alone, the face of Somerville has dramatically changed with the planning, implementation, and completion of a number of successful and ongoing economic development projects. In Assembly Square, for example, the City has transformed an area of urban decay, which for decades languished as a site of disinvestment and blight, into a thriving neighborhood of restaurants, coffee shops, small businesses, and boutiques. In partnership with private developers, community members, and local businesses, the City of Somerville has spearheaded this project along with a number of other concerted economic development projects that aim to make the goals of the City’s master plan, *SomerVision*, a reality. *SomerVision* includes job creation, affordable housing, growing the city’s tax base, maintaining Somerville’s unique character, and revitalizing the city’s blighted neighborhoods.ⁱ

The pace of this change is expected to accelerate into the next decade and beyond. In Union Square, Somerville recently selected a master developer, which—along with citizen stakeholders and city officials—will implement the Union Square Revitalization Plan put forth by the city and approved by the state.ⁱⁱ Furthermore, the upcoming expansion of the Massachusetts Bay Transit Authority’s (“MBTA”) Green Line into Somerville will ignite development throughout the city. Over the next five years, the construction of six new “T” stations will bring massive growth to Somerville, growing jobs and increasing access to mass transit for Somervillians.ⁱⁱⁱ Currently only 15 percent of Somervillians are within a half-mile of a transit center. With the expansion of the Green line, that number will increase to 85 percent.^{iv}

In short, **Somerville is in the midst of a transformation from a city beleaguered by stagnation and emigration to a modern and revitalized city that Boston Magazine dubbed “one of the best places to live” in Massachusetts.**^v But while the city’s economic planning and development departments have matured to meet the needs of a newly thriving city, a significant part of its governance infrastructure has not. Specifically, the Somerville Redevelopment Authority (“SRA”)—the municipal agency charged with urban renewal and revitalization—has not fully evolved to meet Somerville’s economic imperatives and the goals laid out in the city’s master plan, *SomerVision*. Due to Somerville’s small geographic size and limited undeveloped areas, achieving these goals requires a transaction-based approach to land use and development, an approach the SRA is not currently equipped to carry forward.

Referring to the SRA in particular, Mayor Curtatone notes: “We have a 20th century model for a 21st century growth plan.”^{vi} It is with this in mind that Mayor Curtatone commissioned this



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report with the stated goal of assessing the governance, operations, processes, and policies of the SRA. What follows includes our assessment of the activities of the SRA, an analysis of other redevelopment authorities throughout Massachusetts, and a set of recommendations that will enhance the agency's ability to carry out Somerville's economic development agenda while balancing Somerville's community values and goals as laid out in *SomerVision*.

To assess how the SRA might better serve the city of Somerville, we conducted a series of qualitative interviews with City of Somerville officials, Somerville City Council Members, citizen activists, redevelopment and planning experts and redevelopment authorities across the Commonwealth. We further investigated the relevant planning and urban renewal literature for best practices in the area of redevelopment.

“The SRA is and will remain a cornerstone of Somerville’s economic development apparatus.”

Our internal and external findings indicate gaps in two interrelated areas.

First, the SRA remains under-resourced in terms of human and financial capital. Rather than employ a staff of its own, the city's Office of Strategic Planning and Community Development (“OSPCD”) supports the SRA's urban planning and redevelopment initiatives. Further, the SRA lacks sufficient and flexible capital to engage in nimble real estate transactions and enhanced community engagement.

Second, the SRA and city's broader economic development apparatus lack a certain degree of credibility among Somerville citizens. This is especially true of citizen activists, who became frustrated with the SRA during deliberations of the Union Square master developer last year, a frustration that has continued into 2015. The city has made considerable efforts to incorporate community concerns into its development decisions. Still, dissatisfaction persists as evidenced by continued concern and often-outright opposition to the Union Square revitalization project.

Given these findings, we identified a number of tools, resources, and structures that other municipal redevelopment authorities employ that would significantly enhance the SRA's ability to fulfill its mandate. Tailored specifically to the context of Somerville, these recommendations include capitalization models, staffing options, and community-based engagement initiatives aimed at professionalizing the SRA and rebuilding its credibility with the community.

The SRA is and will remain a cornerstone of Somerville's economic development apparatus. With rapid development and an increasingly active citizenry, it remains more important than ever to critically examine the SRA and how it might better serve the citizens of Somerville.





3. METHODOLOGY

To assess the organizational structure, processes, and projects the SRA should adopt, our research primarily relied on qualitative interviews with Somerville city officials along with economic development experts in local municipalities, academia, and planning associations.

Additionally, our research relied on a variety of secondary sources including academic literature, government documents at both the municipal and state level, guidelines and reports produced by planning associations, periodical articles, and televised news stories covering Somerville’s economic development and local politics.

For a discussion of qualitative interview methodology, complete list of references, and a full list of interviewees, please see:

- *Appendix A: Qualitative Interview Methodology and Consent Process*
- *Appendix B: Qualitative Interview Questionnaire – Other Municipalities*
- *Appendix C: List of interviewees*

Generally, we conducted our research in three overlapping phases.

Phase 1

In the first phase, we focused on understanding the history, functions, processes, and organizational structure of the SRA. Specifically, we examined the SRA in the context of the current development agenda for the City of Somerville and the desires, values, and preferences of the citizens of Somerville, found in *SomerVision*. This provided critical foundational knowledge for understanding where the SRA is today, thereby allowing us to suggest where it should go tomorrow.

In this phase, we interviewed government representatives from the City of Somerville, the Somerville Redevelopment Authority, and Somerville citizens who are members of the Citizen Advisory Committee, a committee commissioned by the mayor to advise on development issues in the city. It also included a thorough analysis and understanding of the city’s recently adopted master plan, *SomerVision* (See Appendix D: *SomerVision*, in short). Lastly, we familiarized ourselves with existing urban renewal plans and projects around Somerville.

Phase 2



In the second phase, we conducted a thorough review of the relevant planning, design, and development literature to identify well-documented best practices of redevelopment authorities and urban renewal more broadly. Similarly, this literature review also examines publicly available documents from umbrella organizations of redevelopment associations for their recommendations on governance and operations. This phase included interviews with academic experts on municipal government and economic development.

Phase 3

In the third phase, we investigated redevelopment authorities and economic development agencies in other municipalities, prioritizing cities with similar economic, demographic, and geographic characteristics to Somerville. We conducted interviews with government representatives from other municipalities to identify best practices in use today and provide examples of alternative organizational structures and management processes for economic development.

Applying appropriate frameworks

Finally, we revisited literature from public management and policy analysis courses to assess what might be the most appropriate framework through which to analyze various policy options and construct appropriate recommendations.





4. ASSESSING THE VALUE, CAPACITY, AND SUPPORT OF THE SRA

In the United States, cities began to charter redevelopment authorities in the 1950s and 1960s in response to a wave of federal initiatives and corresponding funding to promote municipal urban renewal.^{vii} While no two redevelopment authorities appear alike, all redevelopment agencies are authorized to develop and implement urban renewal plans, including land acquisition by eminent domain in areas that have been determined as “blighted, decadent, or substandard.”^{viii}

Here we summarize the general structure, operations, and policy tools of the SRA. A one-page addendum then outlines the major redevelopment projects underway in the City of Somerville.

The Membership and Role of the Somerville Redevelopment Authority

Approximately four to five decades ago, the City of Somerville created the Somerville Redevelopment Authority (“SRA”), whose charter is authorized under Massachusetts General Law Chapter 121B. In accordance with state law, the SRA consists of five members serving staggered five-year terms. The Mayor of Somerville appoints four members of the SRA who are then considered and either approved or rejected by the Somerville Board of Aldermen. The Department of Housing and Community Development appoints the remaining member.^{ix}

As of March 2015, the SRA is composed of three members including: Nancy Busnach (Chair), Iwona Bonney (state appointee), and William F. Gage. There are currently two vacancies on the five-member SRA following the retirement of Michael Dwyer and the death of James McCarthy, who prior to his membership on the SRA served on the Board of Aldermen.

Like most other redevelopment authorities across the United States, the SRA is the City’s decision-maker with regards to urban renewal plans and development projects within designated urban renewal areas. Specifically, the SRA’s website reads:

The City’s urban renewal plans have traditionally been implemented through the SRA. G.L. c. 121B [Massachusetts state code] gives redevelopment authorities the power to declare that an area is a substandard, decadent, and/or blighted open area, to prepare an urban renewal plan for its redevelopment and to do eminent domain takings to further the purposes of the plan.^x



Figure 1 depicts a summary of the redevelopment process. (For more information on the urban renewal process, please refer to Appendix 4: Urban Renewal – History, Purpose, and Function)

Figure 1: The Urban Renewal Process in Somerville



The strongest tools available to redevelopment authorities are the ability to take private property by eminent domain and to assemble parcels of sufficient size for redevelopment by a private developer. In other words, the SRA has the ability to acquire privately owned land for public use, to eliminate substandard, decadent or blighted open areas. Notably, often the threat of eminent domain is as strong as the use of the practice itself. However, this is just one of the many tools that redevelopment authorities have to promote redevelopment, as further explained in subsequent sections.

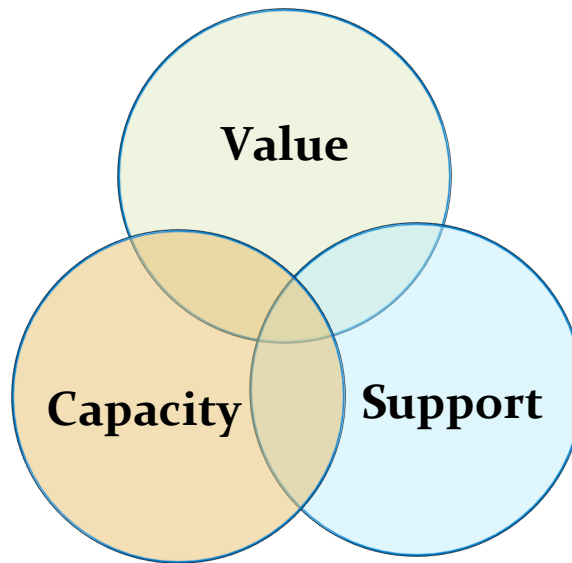
In short, the SRA’s development decisions can have a substantial impact on the local economy and the makeup of the Somerville community. Yet, given Somerville’s history of relatively low levels of economic growth and real estate investment, the SRA has historically been a relatively dormant entity until the early 2000’s, when the city government began implementing major economic development projects. Since then, the City of Somerville has taken on a larger number of economic development projects of increasing size and scope. This has dramatically increased the need for an urban renewal governance structure that is competent, nimble, and most importantly trusted by other public servants and the Somerville community. The SRA, in its current form, does not yet fully serve that need. This report analyzes if and how it can do so.



Framework for Assessment: The Strategic Triangle

Having described the existing membership structure, processes, and governance of the SRA, we now offer a critical assessment of the SRA with an eye towards how gaps in **value**-adding policies, operational **capacity**, and community **support** must be filled if the SRA is to better fulfill its mission of economic redevelopment. Figure 2 offers a graphic of the “Strategic Triangle” framework.

Figure 2: The Strategic Triangle



“The public manager must work to align value, capacity, and support to achieve his or her public policy goals.”

Developed over many years by many experts at Harvard University’s John F. Kennedy School of Government, the “Strategic Triangle” is a framework for analyzing public sector agencies, boards, programs, and initiatives. Mark Moore presented a version of the framework in his 1996 book, *Creating Public Value*.^{xi} For the purposes of our assessment of the Somerville Redevelopment Authority, we will rely on a version of the framework outlined by Professor Herman Leonard in 2002 in his *A Short Note on Public Sector Strategy-Building*.^{xii}

The Strategic Triangle refers to three questions central to any public sector situation.

- 1) **Capacity:** Does the organization have the *capacity* to carry out this program, initiative, or action? *In assessing capacity, we consider the following components of the SRA: “people, money, skills, authority, space, knowledge, managerial infrastructure, and any other physical or intellectual resources necessary.”*^{xiii}
- 2) **Support:** Does the organization have the support of the people or organizations whose support (or opposition) to this program, initiative, or action is relevant to our carrying it forward? *In assessing support, we consider the potential or known views of stakeholders both internal and external to the SRA.*



- 3) **Value:** Would the operation of this program/initiative/action create (net) public value? *In assessing value, we consider the value the public would derive from the program, initiative, or action that the SRA has or has not put forward.*

By answering these three questions, we can identify where a program, initiative, or action currently or potentially being pursued by the SRA, lacks one, two, or three of these strategic components for creating public value.

By way of example, a policy might have considerable public value and the government pursuing that policy might have the operational and financial capacity to implement it with fidelity. However, it may lack political support among authorizing bodies or among the general public. Alternatively, a value-creating program may have the necessary support from stakeholders, but the government may not have the financial resources or operational capacity to carry out the program.

In these instances, the public manager must work to align value, capacity, and support to achieve his or her public policy goals. That is, he or she must ensure the value-creating programs they intend to pursue have the requisite support and capacity for sustainable implementation.

Assessing the SRA: Creating Public Value

The values to which the SRA ascribes are—or rather should be—articulated in Somerville’s guiding master planning document, *SomerVision* (for more information please see Appendix D: *SomerVision, In Brief*). The existence of *SomerVision* means that unearthing the values of the SRA and Somerville is less important than assessing the policies and tools currently at its disposal to create public value. Similarly, assessing the counterfactual—what Somerville would look like without an SRA—helps elucidate the net value it creates for the public.



Takings and Land Assembly

By far, the SRA’s strongest tool in achieving the goals of *SomerVision* is eminent domain. The tool—or rather, the threat of this tool—has helped pave the way for redevelopment in Somerville. Eminent domain usually occurs within the broader power of a redevelopment authority to develop an urban renewal plan, which if approved by city and state officials, enables a city to engage in a host of urban renewal activities, including eminent domain and land assembly. Moreover, it is a unique tool afforded to this relatively independent body that, when used prudently, will continue to facilitate the accelerating pace of redevelopment in Somerville in the years to come.

Without the SRA and its powers of eminent domain, it would be far more difficult for the City, and more importantly, for private developers to acquire the land necessary for redevelopment to occur. In Union Square, for example, the SRA acquired land and cleared title for the MBTA to construct a new transit stop on the Green Line. Similarly, these powers will be critical to acquire the large number of parcels set to be redeveloped in the Union Square revitalization plan. Without the power to assemble land through eminent domain, it



would likewise significantly slow down and even halt a number of areas of economic progress in Somerville that achieve the stated goals outlined in *SomerVision*.

While many remain skeptical about or outright opposed to the SRA's and City's use of eminent domain, the SRA has thus far acted cautiously and incrementally in exercising its right to acquire land for public purposes. It will more than likely have to exercise this right in the coming years, especially in Union Square, if it is to meet the Mayor's and *SomerVision*'s economic development goals. Still, *identifying or maintaining policies, programs, or processes to continue to safeguard against eminent domain abuse will be a critical component of the SRA's work going forward.*

Exemption from state procurement laws

Redevelopment authorities are particularly effective at large scale redevelopment projects because they are exempt from Massachusetts General Laws Chapter 30 Uniform Procurement Act.^{xiv} Generally, this act requires a lengthy RFP process. This exemption helps a redevelopment authority assemble land quickly. Furthermore, the RFP process often mandates the contract go to the lowest-bidder. While this is likely sound public policy in some arenas of government procurement, the ability of the SRA to select developers that meet a range of extra-financial needs—affordable housing, commitment to community, etc.—is a unique feature of redevelopment authorities that make them particularly effective at community redevelopment.

While enhancing their ability to create public value, this exemption may also create an environment for abuse whereby developers are rewarded with contracts due to political favors. This is a significant concern that would compromise the SRA's ability to create public value. It should be noted that to date, this has never been an issue for the SRA. *Identifying or maintaining policies, programs, or processes to continue to prevent cronyism and unethical behavior is necessary to maintain the SRA's ability to create public value.*

“The SRA's development decisions can have a substantial impact on the local economy and the makeup of the Somerville community.”

Independence from legislative and executive authority

Born out of the early 20th century progressive movement, quasi-public bodies, such as the SRA, were created to insulate economic development from political favoritism and the changing nature of elected bodies and offices.^{xv} While redevelopment authorities could abuse procurement powers, those same concerns would exist in their absence. For example, legislators or city executives could reward political contributors with lucrative contracts, jobs, etc. In addition to independence, isolating redevelopment authorities from political favoritism enables them to better create long-term value by thinking into the future about city planning in a way that is separated from election cycles.

This independence from the Board of Aldermen and the Mayor enables the SRA to create value while maintaining appropriate checks and balances from both parties. The Mayor appoints and/or elects not to reappoint members of the SRA, approves or rejects urban renewal plans, and contributes to its decisions through the power of the pulpit and the City's economic development and planning offices. The Board of Aldermen have the power of the purse, can approve or reject an SRA nomination, and can vote up or down an urban renewal plan.



The SRA’s independence and balance of power with the City’s elected officials is consequently a significant value-adding asset. *Any recommendations contained in this report must continue to evaluate how they might alter that balance of power and provide according assessments.*

Flexibility in programmatic and policy tools

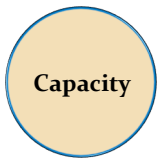
The first three subsections described, by and large, value-creating aspects of the SRA. The remaining feature of the SRA, and one upon which the SRA does not capitalize, is the significant flexibility in programmatic and policy tools that redevelopment authorities have at their disposal. Carol Wolfe, of the Massachusetts Department of Housing and Community Development and one of the state’s leading redevelopment authority experts, notes that, “redevelopment authorities have a broad range of powers outside of urban renewal.”^{xvi} It is this broad range of powers that allows redevelopment authorities to create a set of programs and policies that meet the unique jurisdictional needs of their city and community.

However, the SRA does very little outside of urban renewal planning and developing. As articulated in the next section, our research into other municipalities’ redevelopment authorities illuminates nearly a dozen broad policies or programs carried out by these other redevelopment authorities that create value for their citizenry. Many of these same programs implemented by redevelopment authorities elsewhere are implemented by the Office of Strategic Planning and Community Development within Somerville. Still, *determining which, if any, of these policies the SRA should pursue in an effort to better create public value will be critical to its future success.*

Finding #1: The SRA has an opportunity to enhance its ability to create value through new programs or policies in the context of accelerating economic development, while continuing to safeguard against the abuses of land-taking.

Assessing the SRA: Financial, human, and operational capacity

Having identified the opportunity for the SRA to expand its scope in terms of programs or policies, the next logical step in this framework is assessing the capacity of the SRA to do so. Here we do so along three domains: Financial resources, staffing support, and human capital.



Financial Resources

Due to an existing Memorandum of Understanding (“MOU”) between the SRA, the Mayor, and the Board of Aldermen, the SRA does not hold any of its own funds and has no budget of its own.^{xvii} Instead, the Board of Aldermen approves funding for specific projects in a piecemeal fashion. Even if the SRA were to make a profit through the leasing or selling of any property, the MOU dictates that those funds would be returned to the Board of Aldermen and the City’s general coffers. Further, the SRA is even prohibited from receiving any sort of federal grants or financial gifts that would capitalize the agency. Lastly, the SRA is prevented from issuing debt through bonds, among other financing tools.



If the SRA is going to expand or change any of its current policies or programs—and if its to meet the increasing demands placed on it in the coming years—*what financial resources will be necessary and what capitalization mechanism is most appropriate?*

Staffing Support

The SRA employs no staff of its own and is prohibited from doing so according to the aforementioned MOU. Instead, OSPCD staff support the SRA with technical and administrative support, in addition to fulfilling the duties within the OSPCD. Eileen McGettigan serves as Special Counsel to the SRA. She attends all meetings, provides legal counsel, drafts contracts and agreements, and serves as the key liaison between the SRA and city staff. The SRA also regularly interfaces with George Proakis (Director of Planning), Ed O'Donnell (Director of Economic Development), and Mike Glavin (Executive Director of the OSPCD).

With significant depth and breadth of experience in planning and development, the OSPCD staff has brought significant expertise and understanding to its support of the SRA. However, with the size of the Union Square project and the projected development growth in the city, the burdens being placed on OSPCD staff will likely increase. If the SRA is going to expand or change any of its current policies or programs—and if its to meet the increasing demands placed on it in the coming years—*what additional staffing might be necessary and what specific positions might be most appropriate?*

Human Resources

Besides the existence of staff, the mix of human resources skills and competencies of the SRA itself is an important component of the SRA's capacity to fulfill its mission.

Each member of the SRA is deeply connected to the Somerville community. As long-serving members on the SRA and as long time-residents of Somerville, Busnach, Bonney, and Gage have significant institutional knowledge about the SRA and the Somerville city government. These members further offer a variety of professional experiences to the SRA. Busnach brings years of real estate experience and Bonney is a medical researcher at Tufts University. Recent requests for applicants for the two vacancies on the board have emphasized professional experience in: community planning; public transportation; transit-oriented development; real estate development; housing or financial services; and design and architecture.^{xviii} Ensuring that the SRA is well-poised to assume its role as a trusted, competent, and nimble board requires careful consideration of the members of the SRA themselves. Therefore, *what is the appropriate mix of backgrounds and experiences we want on the SRA, and how do we encourage that mix in the appointment process?*

Concluding thoughts on capacity issues

The aforementioned MOU also restricts various operations that the SRA can conduct, specifically as they relate to real estate purchases, leasing, and other transactions. This is tied to the minimal financial capacity of the SRA. One anecdote in particular exemplifies how the lack of operational capacity, with respect to real estate transactions, constrains the amount of value the SRA can create.



The existing Union Square Fire Department must be relocated according to the transit-oriented redevelopment plan put forth by the city and approved by the state. At the same time, the property at 515 Somerville Ave is ideal for the station’s relocation, not only to make room for redevelopment, but to house the station in a more modern building that meets their needs. In other words, this real estate transaction would create considerable value for Somerville.^{xix}

However, neither the SRA nor the City can purchase this lot without approval from the Board of Aldermen, a process that takes a few months. If the City or the SRA had long-term funds available to do individual land purchases, it would be able to purchase the land accordingly. However, since it does not, the price of the property has since increased, diminishing the economic value of the project.

Finding #2: The SRA lacks even modest amounts of human and financial capital to meet the changing economic development needs of Somerville.

Assessing the SRA: Support inside and outside of City Hall

To assess the extent of support for the SRA as it carries out the goals and vision laid out in *SomerVision*, we examined the authorizing environment for the SRA from external stakeholders (i.e. the public) and internal stakeholders (i.e. Somerville city officials).



Support

External Stakeholders

Somerville is a highly knowledgeable, vocal, and engaged community. Somervillians feel deeply connected to their community and to the issues they perceive to be of the highest priority. Therefore, engaging the Somerville community has been a top priority for the Curtatone administration on a whole host of issues, and specifically on urban renewal.

Beyond complying with open meeting laws and holding public meetings, the City has worked significantly to engage the community with respect to economic development. For the Union Square project, Mayor Curtatone appointed a Citizen Advisory Committee (“CAC”), a group of citizens invited to participate and advise in the selection of the master developer for the project.^{xx} This committee was deeply involved in the master developer selection process, meeting regularly with city staff and traveling the country to meet with the four finalists.^{xxi}

However, the success of engaging the CAC was and continues to be mixed. Some CAC members were disappointed that their number one choice of master developer was not selected by the SRA, even though their role was advisory.^{xxii} Others were frustrated by the SRA’s approach to the final debate on the night of the master developer selection.^{xxiii} In fact, this event perfectly elucidates the credibility and support gaps facing the SRA. At this meeting, some members of the SRA wanted to go into “executive session” to skirt public discussion. While this was not permitted under the state’s open meeting laws, and thus did not happen, just the possibility of the SRA obfuscating the process in this way infuriated many members of the CAC and the broader community.^{xxiv}



This anecdote reveals that the city must engage citizens in a deeper and different manner if they are to gain the support among community members.

Beyond the CAC debacle of last summer, citizens continue to feel less than fully engaged in the development process. Looking at recent news articles, for example, reveals a slew of negative coverage with respect to the Union Square development project. Continuous op-eds and articles have criticized the city and US2 for prioritizing residential over commercial development in a critically important location without outlining plans for the rest of the Union Square project^{xxv} and for not including community signatories to a “community benefits agreement.”^{xxvi} Lastly, other groups like Union United, who are wholly opposed to the redevelopment of Union Square, continue to work against the city, rather than as a constructive partner providing thoughtful and active support of the project.^{xxvii}

The SRA cannot limit its engagement to the appointed CAC for each urban renewal plan. In fact, the SRA’s community involvement must cover both a depth and breadth of the citizenry to fully gain support among a sizeable cohort of community members. Proactively engaging those groups is an opportunity for the SRA. *What is the appropriate public engagement and communication strategy to promote understanding of and engagement with the SRA?*

Internal Stakeholders

The SRA sits at a critical juncture between the executive and legislative branches of the municipal government of the City of Somerville (*See Appendix E: Somerville Organizational Chart*). The Mayor sets the redevelopment priorities and appoints the members. His strategic planning and community development employees staff the redevelopment authority. Meanwhile, the Board of Aldermen approves the Mayoral appointments and maintains complete power of the purse with respect to the SRA’s financial resources.

Naturally, both the Mayor and the Board of Aldermen are interested in maintaining their current check on the SRA. Some members of the Board of Aldermen are interested in curtailing the power of the SRA, preferring urban renewal powers sit with the legislative branch rather than with a quasi-public board.^{xxviii} While the SRA, the Mayor, and the Board of Aldermen have worked together in the past, tension remains between the three political units. *How will reforms to the SRA change the power dynamic of checks and balances in Somerville?*

Finding #3: The SRA currently lacks sustainable and meaningful platforms for community engagement and therefore lacks credibility among constituents.

Finding #4: The SRA exists within a delicate balance of power between the Board of Aldermen and the Mayor.



URBAN RENEWAL IN THE CITY OF SOMERVILLE

Over the course of the past decade and a half, the City of Somerville has passed two major urban renewal plans for Assembly Square and Union Square. While the Union Square project is still in its infancy (a Master Developer was selected in July 2014), the Assembly Square project is virtually complete. There are important lessons learned from the Assembly Square project that can inform Somerville's approach to future development.

Assembly Square

Today, following years of ongoing development and engagement with citizens, Assembly Square has transformed into a thriving neighborhood of residential and commercial properties. Assembly Square Mall has become Assembly Square Marketplace, a series of big-box stores such as Staples and Sports Authority. Assembly Row opened in 2014 and is a 45-acre mixed-use development that includes premium outlets, restaurants, residential space, office space, movie theater, and hotel. Most recently, the MBTA opened its first new rapid transit station in 27 years, the Assembly stop on the Orange Line.^{xxix}

Some of the elements of Assembly's success are:

- An urban renewal plan informed by both citizen and developer stakeholders;
- A trusted real estate investment partner in Federal Realty Investment Trust;
- Creative property management;
- Somerville and the SRA facilitated a property swap between Federal Realty Investment
- Public transit access due to opening of Assembly Square Orange Line stop

Union Square

The Union Square Revitalization Plan was approved in 2012 after years of community planning sessions, studies to examine transportation and zoning options, and consultations with experts in economic development and urban planning. The Revitalization Plan called for transit-orientated development of the area connected to and surrounding the expected Union Square Green Line stop. For the Union Square development, the City of Somerville and the SRA decided to select a master developer partner for seven land parcels connected to and surrounding the proposed Green Line stop. The master developer was selected in July through a public process that deeply involved the Union Square Citizen Advisory Committee (CAC). This will be the largest project in Somerville's history.^{xxx}

While there is still much to come from the Union Square project, many of the elements of success from the Assembly Square project have already been carried out as part of the Union Square process including:

- Focusing on transit-oriented development
- Creating an urban renewal plan through significant stakeholder engagement
- Deepening engagement with the public (through the appointment of the CAC) as the project moves forward



5. POLICY OPTIONS: ASSESSING THE SCOPE OF ALTERNATIVES TO THE SRA’S CURRENT MODEL AND FUNCTIONS

In the previous section, we described the current competencies and deficiencies of the SRA using the strategic triangle framework of *value*, *capacity*, and *support*. In doing so, we described the limited major value-creating policies it engages in, its limited current human and capital resources, and its mediocre external support among the public.

In this section, we examine redevelopment governance structures in municipalities across Massachusetts to outline the range of policies, programs, and governance structures the SRA might adopt going forward.

Specifically, we apply a similar framework of the strategic triangle in order to capture the full scope of value-adding policies and programs the SRA could operationalize. Accordingly, we then assess the resources that might be needed to carry out those policies and programs and align capacity with desired programmatic value. Similarly, we discuss the type of political legitimacy and authority required by each program or policy, and how other municipalities enhance that legitimacy among constituents.

First, however, we describe the three broad governance models that development authorities can take on.

Organizational models for redevelopment authorities

The Massachusetts Department of Housing and Community Development suggests three organizational models for municipal development: (1) Quasi-public agencies; (2) public agencies; and (3) public-private agencies.^{xxxii}

Quasi-public agencies

Municipalities publicly charter a redevelopment authority through the state, which is then classified as an independent board often comprised of public and private sector representatives from the community. The SRA clearly falls into the category of a quasi-public agency, or as jurists would call an “independent body, corporate and politic.”^{xxxiii} The majority



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of other redevelopment authorities we spoke with subscribe to this model including Somerville's closest neighbor, Cambridge, MA.

Independent agencies such as a redevelopment authority exist outside the full control of the local chief executive and legislature. In fact, these agencies were born out of the early 20th century progressive movement to insulate redevelopment decisions from politics, provide sustainability across mayoral administrations, and limit the ability of local governing bodies to corrupt or inappropriately influence the development process.^{xxxiii}

It's worth noting the degree of redevelopment authority independence from city executives and legislatures varies, both in Massachusetts and elsewhere. The Boston Redevelopment Authority is the most independent redevelopment authority in Massachusetts commanded by strong mayoral control. It houses the city's public offices of development, planning, zoning, and all aspects of economic development. While this coordination may breed better planning via in-house coordination, it also allows for strong executive control and the potential for favoritism with minimal public engagement, of which the Boston Redevelopment Authority has in the past been accused.^{xxxiv}

Public Agencies

Redevelopment may not occur through an independent, quasi-public board, but instead may be subsumed within the city's legislative or executive body. Though, this is rare.

In Lowell, the City Council formally serves as the municipality's redevelopment authority. Initially, the Lowell Redevelopment Authority was chartered as an independent board. However, in 1976, the City effectively lobbied for special state legislation that abolished the Lowell Redevelopment Authority and placed the legal authority and all assets of the redevelopment authority with the City Council.^{xxxv}

The decision to shift the legal and policy responsibilities of the redevelopment authority to the City Council was driven by a growing connection between the redevelopment authority and other city programs. There was a general sentiment that the Lowell Redevelopment Authority had outlived its purpose as an independent quasi-public entity and should be subsumed entirely within the City Council.^{xxxvi} Today, city staff provide the policy and administrative resources and support the City Council acting as the redevelopment authority. Specifically, the Urban Renewal Project Manager is a fully dedicated staff member that oversees the city's three urban renewal plans.

While we did not interview a municipality that adopted this model, it is similarly possible for redevelopment powers to be subsumed within the executive branch. Under Massachusetts General Laws Chapter 43C, the municipality's legislative body can vote to create a consolidated department of community development which can include the redevelopment authority, planning board, or any other municipal office or agency focused on economic development.^{xxxvii} Under this model, the chief executive of the municipality would appoint a Director of Community Development and four members of a Community Development Board. The fifth board member would be appointed by the state through the Department of Housing and Community Development. The Community Development Board assumes the powers of the redevelopment authority (and any other boards that the municipality is



consolidating). The community of Chelsea with its Economic Development Board is an example of this model.

Public-Private Partnerships

Public-private partnerships can be additions to the redevelopment governance structure of a municipality. These organizations are typically led by a board of local community leaders who encourage private investment. In our research, we found that redevelopment authorities might work closely with a non-profit development organization. While the city does not grant any formal legal powers to these organizations, they work closely with them to encourage private development. For example, the Springfield Redevelopment Authority serves on the board of and works closely with a non-profit development entity, Develop Springfield. The board is composed of other local civic leaders. Develop Springfield sought private investment and carried out programs dedicated to the redevelopment desperately needed by the city after a devastating tornado in 2011. Since then, the organization has branched out to include redevelopment activities such as encouraging market rate housing and business assistance.^{xxxviii}

Assessing the three models

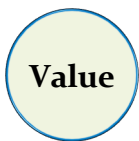
As mentioned earlier, the vast majority of redevelopment agencies subscribe to the first model as authorized in 121B. While nearly homogenous in governance, however, no two redevelopment authorities are alike at a more granular level. Consequently, looking at broad models only offers so much in terms of where the SRA could improve. As such, we found utility in assessing the entire menu of value-adding policies, financial and staffing capacities, and types of political support a redevelopment may exercise or encounter.

Creating Value: Policies beyond Urban Renewal and Eminent Domain

In Massachusetts and across the country, redevelopment agencies have a range of tools at their disposal for meeting the redevelopment challenges of their municipalities. As discussed earlier, nearly all redevelopment agencies have the power—and have exercised that power—to designate urban renewal areas for redevelopment and to develop and implement urban renewal plans. Additionally, all redevelopment agencies are granted land-taking powers under Massachusetts General Law Chapter 121B.^{xxxix} These are the most powerful tools a redevelopment authority has at their disposal.

In addition to these general functions, however, redevelopment authorities exhibit a range of tools, assets, capacities, and approaches to stimulate development in disinvested and blighted areas. Outlining and understanding the scope of these domains is necessary to understand which policy alternatives would add value to the SRA. (For a summary of qualitative interviews with municipal redevelopment authorities, please see *Appendix E: Interviews with Redevelopment Authorities*).

As a supplement to urban renewal plans and eminent domain powers, the following section offers a list of programs, powers, and policies that other redevelopment authorities and planning experts identified as adding value towards fulfilling their agencies' missions. These powers are either explicitly afforded to redevelopment authorities in Massachusetts General Law Chapter 121B, or they are implicitly afforded to them by the absence of language



restricting them to certain activities. The SRA itself currently engages in a few, but nowhere near all of these programs or policies (OSPCD does in engage in some of these activities).

Finding #5: Redevelopment agencies exhibit a range of tools, assets, capacities, and approaches beyond land-taking that help them stimulate development in blighted and underinvested areas.

Engaging in demonstration projects

Redevelopment authorities clearly have the authority to designate areas as “urban renewal zones” through creation and approval of an urban redevelopment plan. However, Massachusetts General Laws Chapter 121B Section 46f allows redevelopment authorities to create a plan for a specific parcel to enable development outside of a designated urban renewal area.^{x1}

Make relocation payments to persons and businesses displaced

In addition to making land acquisition payments, redevelopment authorities must work with displaced residents and businesses to help them financially identify a new location for habitation or commercial activity. The SRA has included relocation plans for both the Assembly Square and Union Square urban renewal plans.

Demolish or rehabilitate substandard structures or improve property

According to the former Executive Director of the Brockton Redevelopment Authority, the BRA has “stepped up as a stabilizing force and as a receiver to bring property up to state sanitary code to make it fit for human habitation.”^{xli} This program has been particularly important to bring abandoned, foreclosed homes up to code for sale on the private market. It should be noted that this program is conducted through Brockton’s HOME Investment Partnerships Program (HOME), which uses federal funds to carry out a wide range of housing related policies. In Brockton, the redevelopment authority implements this program; whereas, in Somerville, housing programs and grants are implemented by the OSPCD.

Engage in or contract for construction, remodeling, or alteration

The Salem Redevelopment Authority, for example, recently acquired an old convent downtown that it converted into live-work spaces according to the mayor’s vision of “capitalizing on the creative economy.”^{xlii}

Participate in real estate development and commercial revitalization

This can include the buying, selling, leasing, and management of land and property. The redevelopment authorities we spoke to ran the gamut in terms of real estate development activism. The City of Cambridge, for example, exercises the entire range of real estate transactions possible.^{xliii} The City of Malden owns parking garages, but contracts management out to a consultant.^{xliiv} The Springfield Redevelopment Authority is undertaking an extensive project to renovate its Union Station (serving Amtrak).^{xliv} While the Worcester Redevelopment Authority owns its Union Station (serving MBTA), its strategy is to focus solely on acquiring and disposing of property, without engaging in long-term ownership.^{xlvi}



Stimulating local development through grants or loans

Redevelopment authorities have the power to grant funds to local community-based organizations as part of their urban renewal mandate.

The Cambridge Redevelopment Authority utilizes its own financial assets to “to redistribute the value of redevelopment to the rest of the community,” according to its Executive Director, Tom Evans.^{xlvii} In Cambridge, these grants go towards a variety of uses, including one time capital expenses for community improvements, as well as grants to small business owners.

Redevelopment authorities can also redirect money through loans instead of grants. For example, the Brockton Redevelopment Authority offers business loans for façade improvements.^{xlviii} The City of Malden issues loans to citizens to get their property up to code.^{xlix} The Cambridge Redevelopment Authority, alternatively, opts for grants rather than loans due to the increased transaction costs of seeking the principal and possible returns back.^l

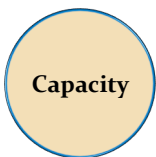
While other municipalities may issue small grants and/or loans through their redevelopment authorities, the City of Somerville carries out its grants and loans programming (including any available Community Development Block Grants) through the OSPCD.

Establish rehabilitation and design standards

The Salem Redevelopment Authority, for example, works very closely with the Salem Design Review board to approve the design review board’s recommendations, namely for its historic districts.^{li}

Work on regional redevelopment through municipal coordination

Municipalities can also coordinate to establish regional development organizations. Malden, Medford, and Everett (with Malden taking a leadership role) established the Mystic Valley Development Commission to coordinate the Rivers Edge development which sits at a critical juncture between these three communities.^{lii}



Building Capacity: Financial and Human Capital

Of course, the more powers that redevelopment authorities exercise, the more financial and human resources they require. Generally, the financial and staffing resources of most redevelopment authorities are smaller today than they were in the 1960s and 1970s when federal and state funding for urban renewal was plentiful and redevelopment authorities were quite active in acquiring property in urban slums. Today’s redevelopment authority relies on fewer available resources, particularly state and federal funds, and is focused on more targeted urban renewal plans. Here we assess the range of financial and staffing capacities of other municipalities in comparison with Somerville’s.

Financial capacity

The SRA stands out compared to a number of other municipal redevelopment authorities in that it has no financial assets and no budget. Comparatively, most other municipalities in



Massachusetts have some sort of financial assets or revenue stream to fund their programs. Sources of capitalization include:

- State and Federal grants, such as the community development block grants
- Retention of net proceeds from the sale of property following its acquisition
- Selling, exchanging, transferring, or leasing acquired property
- Fees associated with property management (i.e. fees from parking garages)
- Gifts and loans
- Borrowing money through bonds, notes, or other securities of indebtedness
- Investing in securities and receiving a return on that investment

Using these funds, redevelopment authorities range from uncapitalized (e.g. Somerville) to financially self-sustaining (e.g. Cambridge Redevelopment Authority).

Human Resource Capacity

Like the financial capacity that supports their programs, redevelopment authorities require a minimum set of human resources to fulfill their mandates. As described earlier, Somerville has support from a number of staff within the city's economic planning department. Other municipalities, such as Everett, with its small but growing planning department, have even fewer employees, full or part time, staffing their redevelopment authorities.^{liii} Still, Brockton Redevelopment Authority Executive Director Robert Jenkins notes, "at minimum, most Authorities consist of an executive director and an administrative assistant."^{liv} Other redevelopment authorities, such as Brockton and Malden, have sizeable staffs.

Even if staffed by city employees, every redevelopment authority we spoke with, with the exception of Lowell, has an Executive Director of its redevelopment authority. In Salem, Worcester, and Everett, the Executive Director is housed within the city staffing structure and serves a dual-role, typically also acting as head of economic development or planning or community development.^{lv} In Springfield, the Executive Director is housed within the city staffing structure, but his time is entirely dedicated to the redevelopment authority.^{lvi} In these four cases, therefore, the Executive Director is hired by and reports to the someone within the Chief Executive's inner circle, if not the Chief Executive him or herself, rather than the redevelopment authority. However, in Brockton, Malden, and Cambridge, the Executive Director is hired by and reports to the redevelopment authority.^{lvii} These redevelopment authorities also have independent staff housed within the redevelopment authority not the city staffing structure, hired by and reporting to the Executive Director. Generally, there is a high correlation between number of staff dedicated to a redevelopment authority and the robustness of its financial resources.

Finding #6: While the SRA has neither a budget nor a fully-dedicated staff, other municipalities use a variety of financing tools and staffing structures to ensure their redevelopment authorities have the capacity they need to create value.





Examining Support: The Authorizing Environment

Public policies and the bodies that produce them require an authorizing environment from a host of stakeholders. Generally, quasi-public boards need support from both from the government (internal stakeholders) and public (external stakeholders) they serve. For redevelopment authorities, a trusting and open relationship with the public is critical to ensure that development respects the needs and desires of the community.

Internal Stakeholders

Support within city government is critical for redevelopment authorities to effectively carry out their mission.

Looking first towards the executive branch, every single municipality we spoke with discussed substantial and regular interaction and coordination with other branches and agencies of the governments they served. In Worcester for example, there is a weekly meeting between the Chief Development Officer (also serves as the Executive Director of the Worcester Redevelopment Authority), City Manager, the President of the Chamber of Commerce, the President of Massachusetts Biomedical Initiatives (MBI), and the President of Worcester Business Development Corporation.^{lviii} This meeting serves to ensure that these bodies are all aligned in their contribution to development in the City of Worcester. For those redevelopment authorities with more financing and staff (e.g. Cambridge, Malden, and Brockton), regularly interfacing with other city branches remained an important component to successful urban renewal and redevelopment projects.

Beyond coordination with planning staff, an effective redevelopment authority also requires coordination, legitimacy, and often funding from the city’s legislative body. Those redevelopment authorities with independent revenue streams, Brockton, Malden, and Cambridge, rarely seek funding from their city councils. Those without independent revenue streams are more likely to seek out funding from the city’s legislative body. In Worcester, for example, the city council annually appropriates operating capital funds, primarily for the management of its Union Station as the lease revenue does not fully cover operating costs.^{lix} Of course, in Lowell, where the city council is the redevelopment authority, the city council is naturally deeply intertwined in funding whether from the city or outside sources.

Yet, even those cities without independent revenue streams regularly chase federal, state, and private grant funding for their work. In none of the municipalities that we spoke with did interviewees mention that applying for grant funds requires legislative approval. Nevertheless, regardless of whether these cities have independent revenue streams, city funding, or outside funding, they all recognize the need to have a trusted relationship with their elected officials of their municipalities. Tom Evans in Cambridge said it best, “For us to implement, we need complete buy-in from the city manager and city council.”^{lx}

External Stakeholders

Just as importantly, effective redevelopment authorities proactively work with community groups and activist citizens to give them a seat at the table while also mitigating potential opposition to redevelopment.

“Most redevelopment authorities we spoke engage with citizens perfunctorily and defensively, rather than meaningfully and proactively.”



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Each redevelopment authority interviewed as part of this research emphasized that engaging the public was critical to their success. Yet, most redevelopment authorities we spoke with seem to do so perfunctorily and defensively rather than meaningfully and proactively. They comply with open meeting laws, hold required public meetings, and at best appoint citizen advisory committees for developing and implementing each urban renewal plan. The open meeting laws, public meetings, and citizen advisory committees are incredibly important for engaging the public. Still, as we've seen in Somerville, they by no means will result in a favorable authorizing environment. Looking beyond meeting these legal requirements, most redevelopment authorities we spoke with had little to offer in terms of broader public engagement and community outreach.

Still, some municipalities offered promising strategies. When the City of Cambridge was conducting a strategic assessment of their redevelopment authority, they told every neighborhood association and public group in the city that if they wanted a presentation about the direction of the CRA, the Executive Director would come to their next meeting.^{lxi} In Lowell, the city helped to create neighborhood or business groups in urban renewal areas that had traditionally not had representation. The goal is for these groups to be sustainable on their own without significant city support and to provide a place for the City citizens to engage with community members to achieve buy-in and support.^{lxii} Malden is in the process of completing a total re-design of their online communications to make their documents and processes more accessible on the internet.^{lxiii} Of the municipalities we interviewed, Cambridge leads the way with an online community engagement tool, coUrbanize, as the online component of its community engagement strategy during its 2014 master planning process.^{lxiv} As part of its public engagement plan for the urban renewal extension process for 16 of 18 urban renewal plans in Boston, the City of Boston recently launched a new website, bostonurbanrenewal.com, that gives citizens access to historical information, maps, significant development projects, and provides an online comment option.^{lxv}

Finding #7: While most municipalities simply meet legal requirements with respect to citizen engagement, some offer innovative public engagement tools that could potentially enhance the SRA's ability to build support for its projects.

In the next section, we apply the lessons learned from our discussions with other redevelopment authorities to the context of the SRA and Somerville to develop a set of recommendations and next steps.





6. ANALYSIS AND RECOMMENDATIONS

In accordance with the findings and subsequent analysis found in this report, the following section outlines a series of recommendations that will advance the goals and values set out in *SomerVision*, including job creation, growing the city’s tax base, maintaining the city’s unique character, and revitalizing many of the city’s blighted neighborhoods. Specifically, these recommendations build off of the *value-support-capacity* framework of the strategic triangle, recognizing the unique *value* the SRA offers to the City’s economic development infrastructure, arming it with the necessary *capacity* to enhance that value, and building *support* among community members and city officials.

We begin with a recommendation to maintain the SRA as an independent body. We then issue a broad call for mission articulation and strategic alignment for the SRA. What follows is then a series of programmatic and policy recommendations the SRA, Board of Aldermen, and the Mayor should pursue that will enhance the Mayor Curtatone’s promise to make Somerville “a great place to work, live, play, and raise a family.”

In the subsequent section, we offer a series of action steps to operationalize these recommendations that will help the SRA build credibility with the community, professionalize the SRA staff, streamline its processes, and enhance the City’s ability to drive forward community-based redevelopment.

Recommendation #1: The Mayor and the Board of Aldermen should maintain the organizational structure of the SRA.

As detailed in the last section, redevelopment can take three broad organizational forms: (1) a quasi-public independent body; (2) a public entity administered through the executive or legislative branches; or (3) a non-governmental form or public-private partnership.

We strongly believe the SRA in its current form as an independent agency best serves the economic development goals and the people of Somerville.

Affording complete redevelopment powers to the legislative or executive branch is politically and operationally infeasible.

Jettisoning the current independent nature of SRA would be enormously difficult to accomplish, be politically infeasible given the battle for control between the legislative and executive branches, and compromise its inoculation from politics and the shifting electoral landscape.



First, arming the Board of Aldermen or the Mayor with complete or shared redevelopment powers would require the City to work with the state legislature to pass a state law that would dissolve the SRA and transfer the tools of urban renewal to elected officials. Doing so would require significant time and political capital and would significantly damage the city's relationship with the SRA if its efforts fail.

Further, even if the city succeeded in this endeavor, putting all powers of redevelopment into the legislative or executive body significantly compromises the balance of power and series of checks on balances that each body has on the other. Similarly, it's unlikely that either body would allow the other to assume near-full control over redevelopment. It is also imprudent to concentrate the powers of urban renewal in a single body, as opposed to the checks and balances that exist between city actors now.

“We strongly believe the SRA in its current form as an independent agency best serves the economic development goals and the people of Somerville.”

Lastly, this model would mean that issues of redevelopment would be subject to the whims of an ever-changing electorate. In the past two years alone more than half of the Board of Aldermen have changed seats.^{lxvi} Eliminating the SRA would eliminate an agency that largely inoculates important planning decisions from the political process. *For these reasons, we do not recommend eliminating the SRA and transferring redevelopment into a fully public-sector enterprise.*

Maintain the SRA structure, but adopt critical changes for 21st century development. Redevelopment authorities are afforded a unique combination of powers of eminent domain, land assembly, and procurement that allow the city to meet the increasing demand for development and economic expansion. The powers afforded to a redevelopment authority are important tools to have in the development toolbox, tools that will be all the more critical given the expansive development facing Somerville in the coming decades. Losing these powers at this critical juncture would be detrimental to the City's development goals. *For this reason, we strongly recommend maintaining the SRA as it currently stands.*

Still, the challenges before the SRA demand innovative programs, policies, and partnerships—supported by the necessary capacities and support of the community—that align its governance with the aspirational goals of *SomerVision*. As indicated below, this will require more flexibility in terms of staffing and financing, the continued support of the Mayor and Board of Aldermen, and the continued coordination with the city's planning department.

Recommendation #2: Key city and citizen stakeholders should develop and implement a strategic plan that clearly defines the SRA's mission, goals, and direction.

To achieve the goals of *SomerVision*, government departments and officials must have a clear and cogent theory of change in line with an equally clear and cogent mission within the context of this master-planning document. To date, the SRA's mission remains unclear. Furthermore, it's unlikely that officials from the Board of Aldermen, the Mayor's office, the community, and the SRA itself have sat down in the same room, let alone had a conversation



about SRA strategy and mission. While the SRA continues to coordinate with OSPCD, its piecemeal relationships with key stakeholders mean it is largely a rudderless organization.

Formally outlining the mission of and vision for the SRA and how this board fits in with the overall economic development strategy will go a long way towards formalizing its role within Somerville. Doing so will allow the city to engage in forward and backwards-mapping, ultimately deciding which policy recommendations within this report and elsewhere it finds desirable.

Before considering capacity-building programs and before instituting some of the policy reforms we recommend below, *we strongly recommend holding a day-long strategy workshop to discuss the findings of this report, clearly identify the mission of the SRA, and develop a strategic plan and timeline based of the recommendations of this report and the recommendations of relevant stakeholders.*

Recommendation #3: The Mayor and the Board of Aldermen should build the SRA's capacity through the appointment of at least one fully dedicated staff member.

To meet the redevelopment goals outlined in *SomerVision*, we propose adding a fully dedicated staff member to the SRA who would serve as the agency's Executive Director. As it stands, the OSPCD is providing much needed technical, legal, and administrative support to the SRA. It should continue to do so, as it has the unique human capital in economic planning to support the SRA.

However, we recommend at least one full-time staff member to the SRA to compliment, not replace, the existing support the SRA receives from the City. As the demands placed on OSPCD increase in the coming years—which will manifest as development continues to accelerate—city staff will be stretched thin in terms of supporting a fully functional and modern SRA. A designated Executive Director can coordinate projects, seek out funding, and deepen relationships with the Board of Aldermen. Moreover, we foresee the person serving as Executive Director to be the public “face” of the SRA in the form of the organization's citizen liaison, a role not fully being served by anyone within the city staff.

Specifically, we anticipate the Executive Director completing the following broad tasks:

- Provide administrative support to the SRA.
- Act as the liaison between the public and the SRA including hosting public meetings, meeting with neighborhood groups, businesses, and residents.
- Serve as the liaison between the Board of Aldermen, the Mayor, and city staff and the redevelopment authority.
- Identify sources of funding for projects. Work closely with the Board of Aldermen to secure funding quickly if needed.



- Work closely with city staff on urban renewal plans, relocation plans, developer contracts, etc.
- Work with state partners to facilitate planning and implementation of projects

An interim possibility as the City ramps up its work is to have the Executive Director serve in a dual-role as a city staff member and Executive Director of the SRA. Over time, as the number of urban renewal projects increases, the Executive Director would transition to a fully-allocated staff member for the SRA.

Regardless, the mere appointment of a fully dedicated staff member will both increase the operational capacity and credibility of the SRA among citizen stakeholders. This is particularly relevant considering that existing SRA members—while dedicated to the authority itself—are relatively disengaged from citizens and development of plans. As such, *we strongly recommend appointing an Executive Director of the SRA.*

Recommendation #4: The Mayor and the Board of Aldermen should build the SRA’s capacity through modest capitalization.

The lack of any discretionary budget significantly restricts the unique role that the redevelopment authority can play in accelerating economic development in a city. To have a modern redevelopment authority that is highly responsive to its citizens and one that advances smart, efficient, and progressive public policies, it needs at least some financial flexibility to do so, without having to continuously go before the Board of Aldermen for even the smallest request for funds.

Currently, the Board of Aldermen exerts wholesale control of the city’s redevelopment finances. While loosening that control will likely encounter political pushback from aldermen, the same aldermen that would oppose capitalization are those likely to oppose the existence of the SRA in the first place. Meanwhile, there are a range of capitalization options (as articulated in the previous section) that would provide the SRA with modest funding to expand the scope of its work without requiring significant relinquishment of financial control.

An alternative to providing the SRA with funding of its own is to work together to create a financing request process that will allow the SRA to nimbly take advantage of real estate opportunities. This process would be used only for high priority urgent projects and would signal to the Board of Aldermen the need for a quick review. This process would maintain the Aldermen’s hold on the purse strings while speeding up the financing approval process.

Even more specifically, we recommend allowing the SRA to solicit and receive federal grants and to retain net proceeds from the sale or leasing of property. *We strongly recommend discussing financing opportunities and process to ensure that the SRA has the resources it needs to respond to the rapidly evolving real estate market in Somerville.*



Recommendation #5: With adequate staffing and financing, the SRA should pursue more nimble and smart real estate transactions that create value for Somerville.

The previous two recommendations will help build the SRA’s capacity. That capacity should be actively used to enhance community engagement (see the following recommendation) and to streamline the development process through real estate transactions. As it stands, the City is losing substantial value in purchasing land and property it deems desirable due to a bureaucratic appropriations process. Instead of having to go to the Board of Aldermen, and subsequently waiting months for approval, the SRA would be able to use its capital to purchase property that it and the OSPCD deems valuable. This will avoid instances where such properties’ prices rise or properties that are purchased in the interim while waiting for funds. *For this reason we recommend the SRA actively and routinely work with OSPCD to use its funds for real estate transactions that further the economic development goals of the city.*

Recommendation #6: The newly appointed SRA Executive Director should work to proactively engage the community.

One of the core problems facing the SRA is that it does not engage in proactive activities with the community. Similarly, existing forums for community members may appear perfunctory to activists, rather than substantial engagement with citizens. This is largely tied to the fact that no one person—such as an executive director—is charged with the responsibility to incorporate community concerns into the SRA’s operations and programs.

The newly appointed Executive Director should actively attend citizen meetings, meet with Somerville residents and neighborhood associations, and engage actively with the business community. Moreover, he or she should do so by establishing meaningful relationships with these stakeholders so they feel like they have someone in government representing their concerns, not working against them or simply placating them.

Similarly, the Executive Director should employ a suite of innovative public engagement tools online. In addition to social media, a number of other products exist that allow citizens to actively engage their redevelopment authorities, such as coUrbanize.

As such, we recommend the newly appointed SRA Executive Director actively meet with the community and create additional online and public forums for engagement.

Recommendation #7: Develop guidelines or a set of principles for future SRA appointments.

Until recently, most SRA members have served multiple terms on the board and were typically reappointed by the Mayor when their terms were up. With two open seats on the board, there is an opportunity for the Mayor to develop a set of guidelines for future SRA



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appointments. These guidelines should include the relevant professional experience and skills desired for the SRA. *We recommend developing a set of principles for future appointments to ensure that the SRA continues to have high quality members adept at assessing Somerville's urban renewal needs.*





7. ACTION STEPS – OPERATIONALIZING RECOMMENDATIONS

This section outlines key action steps to achieve the recommendations outlined in the previous section. Rather than recommendation-by-recommendation, we present these action steps chronologically since many of the recommendations are interwoven and depend on the operationalization of some before others.

Preliminary action steps for building the SRA’s capacity

The existing MOU between the Board of Aldermen, Mayor, and the SRA significantly weakens the ability of the SRA to serve the community. The following are preliminary action steps towards capitalizing the staffing the SRA:

- The Special Council to the SRA and OSPCD should examine the existing MOU, which prohibits the SRA from having a staff or budget of its own
- The Special Council to the SRA and OSPCD should identify what legal options exist to amend or nullify that MOU, thereby allowing the appointment of an Executive Director and capitalizing the SRA
- The Special Council to the SRA and OSPCD should select the most political and legally appropriate means of amending or nullifying the MOU.
- OSPCD should identify any remaining legislative or executive requirements for building the SRA’s staffing capacity (i.e. does nullifying or amending the MOU allow the SRA to have a staff and a budget, or must additional legislation be passed?)
- OSPCD meets with Board of Aldermen to inform them of the Mayor’s intentions

Action steps for hiring an Executive Director

With an altered legal and political environment from the MOU alterations, the City and SRA should seek to hire an Executive Director to begin modernizing the SRA in accordance with the recommendations of this report.

- The Mayor should identify where the Executive Director would officially be “housed,” which would almost certainly be within OSPCD
- OSPCD staff members and the SRA should develop key professional and personal requirements it seeks in an executive director
- The City should advertise and actively promote the job application for this position



- When interviewing and ultimately hiring for this position, the City should do so with any eye towards the applicant’s ability to manage stakeholders inside and outside of City Hall, in addition to his or her technical planning and development expertise.

Action steps for identifying the SRA’s mission and creating its strategic plan

- Newly-hired Executive Director (“ED”) identifies key stakeholders in SRA, OSPCD, Mayor’s office, the Board of Aldermen, and in the community to invite to strategy session
- ED identifies at least half a work day—but ideally an entire work day—where all parties can attend a strategy workshop, clearly communicating workshop’s importance and purpose to invited parties
- ED crafts an agenda for the workshop including questions that will be asked of the group with an eye toward key deliverables
- Invitees attend the workshop and conduct follow up meetings as necessary.
- ED and OSPCD produce a tangible deliverable (e.g. a public report) building off of this document that articulates what the SRA is, who it serves, what its mission is, and what policies and strategies it with continue or adopt over the next 2-3 years to meet its mission.
- Allow that strategic document to dictate which policies, programs, and governance modifications the SRA should pursue in accordance with this report

Action Steps for Capitalizing the SRA

- OSPCD should assess gaps in current funding streams within the OSPCD to determine if the SRA can play a role in filling those gaps. Specifically, assess role of grants and small loans within the OSPCD to determine if there is a gap the SRA could fill to engage community based organizations and small businesses.
- OSPCD should assess opportunities for using new sources of revenue for proactive land purchasing.
- Lastly, there should be a meeting of the Executive Director, the Board of Aldermen, Mayor, and city staff to identify opportunities to work together to develop a funding process that supports nimble property acquisitions in the context of Somerville’s rapidly evolving real estate market.

Action Steps for Community Engagement



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- ED should immediately meet with stakeholders referenced in recommendations section
- ED should create strategic communications plan to articulate what the SRA is currently doing in the community.
- ED should create and manage suite of social media platforms to engage citizens





8. CONCLUSION

The economic and community development challenges that Somerville faces—and will continue to face—are significant. But those same challenges are also opportunities to accelerate Somerville’s transformation from a City once marred by urban decay to one with a thriving economy fueled by its unique character and vibrant community.

As the pace of development increases, both the role the SRA will play and the impact it will have on the face of Somerville will similarly increase. It is time to bring the SRA into the 21st century by making it a modern government agency with a clear mission operating with a thought-out strategy to fulfill that mission along with substantial support from stakeholders inside and outside of City Hall.

The recommendations in this report are a first step in that process. Admittedly, they are not revolutionary ideas. From increasing staffing to engaging community members, however, these seemingly small recommendations have the potential to revolutionize the way the SRA and City of Somerville approaches redevelopment. Inasmuch, these recommendations serve as a launch pad for further discussion as to what the SRA is, who it serves, and how it can best serve them.

On behalf of the citizens of Somerville, we hope those discussions bear fruit in the form of a forward-thinking, proactive, and revitalized redevelopment authority.



APPENDIX A: QUALITATIVE INTERVIEW METHODOLOGY AND CONSENT PROCESS

In preparing for qualitative interviews with government officials, civic activists, and planning experts, we systemically prepared a list of questions specific to the stakeholder’s interest in Somerville’s economic development. Sometimes, those questions were offered to interviewees ahead of the scheduled interview. Interviews typically lasted 45 to 60 minutes with approximately 50 percent of interviews taking place over the phone and 50 percent of interviews taking place in-person. Researchers took copious notes that were logged into a Google document. These field notes comprise the bulk source of this report’s findings.

To comply with Harvard’s Institutional Review Board requirements—the university’s human subject’s approval agency—we supplied each interviewee with the following form and followed its procedures accordingly. Notably, we respected interviewees requests to go “off the record.” Any of those findings were either not included in the final report or included without attribution or even the risk of attribution.

Evaluating and enhancing the Somerville Redevelopment Authority

Consent form for citizen, government, and academic experts

My name is Crosby Burns/Jennifer North from Harvard University, and we are asking you to take part in our research study.

For Somerville interviews: I would like to interview you to learn more about the Somerville Redevelopment Authority and the City of Somerville’s growth plan for the next 20-30 years.

For interviews outside of Somerville: I would like to interview you to learn more about your redevelopment authority so that we may learn more about best practices from your municipality.

The interview will last about 45-60 minutes. You can skip questions that you do not want to answer or stop the interview at any time.

We will not share your personal information with anyone outside the research team if you so request. If you do not make this request, it is possible that we may cite or quote you or the information contained in this interview as part of our final report and findings.

Being in this study is voluntary. Please tell me if you do not want to participate.

Questions? Please contact us by email or by phone.



APPENDIX B: QUALITATIVE INTERVIEW QUESTIONNAIRE – OTHER MUNICIPALITIES

Custom questions were created for specific municipalities

1. Please explain your background and role with the redevelopment authority (RA).
2. We know that redevelopment authorities look a little different in each municipality. Can you describe the structure of the redevelopment authority?
3. Can you confirm how the RA members are appointed?
4. What are the professional backgrounds of the current RA members?
5. We know that redevelopment authorities focus on different issues depending on the municipality. What are the key issues of focus for the RA?
6. Can you explain the RA's involvement in property ownership and management?
7. Can you describe the budget for the RA? Does it have its own budgetary authority? Are RA members provided any compensation for their service?
8. Outside of standard public meeting laws, how does the RA engage with the community?
9. What do you see as the greatest strengths or areas of best practice of the RA?
10. If you could create your ideal RA, what would do you see as opportunities for improvement?



APPENDIX C: LIST OF INTERVIEWEES

Qualitative informational interviews provided this report's most robust and critical findings. The following comprises the comprehensive set of individuals that were interviewed as part of this research.

Government Officials Within the City of Somerville

- Joseph Curtatone | Mayor, City of Somerville
- Mike Glavin | Executive Director, Office of Strategic Planning & Community Development
- Ed O'Donnell | Director of Economic Development, Office of Strategic Planning & Community Development
- Andy Offit | Special Advisor to the Mayor
- Eileen McGettigan | Special Counsel, Office of Strategic Planning & Community Development
- George Proakis | Director of Planning, Office of Strategic Planning & Community Development
- Nancy Busnach | Chair, Somerville Redevelopment Authority
- Mark Niedergang | Ward 5 Aldermen, City of Somerville Board of Aldermen
- Bill White | President, City of Somerville Board of Aldermen

Municipal officials outside of Somerville

- Tom Evans | Executive Director, Cambridge Redevelopment Authority
- Robert Jenkins | Executive Director, Brockton Redevelopment Authority
- Andrew Shapiro | Economic Development Planner, Salem Department of Planning and Community Development
- Deborah Burke | Executive Director, Malden Redevelopment Authority
- Craig Thomas | Urban Renewal Project Manager, Lowell Department of Planning and Development
- Michael Traynor | Executive Director, Worcester Redevelopment Authority and Chief Development Officer, City of Worcester
- Jamie Errickson | Executive Director, Everett Redevelopment Authority and Executive Director, Department of Planning & Development, City of Everett
- Chris Moskal | Executive Director, Springfield Redevelopment Authority

Civic Activists and Planning Experts

- Wig Zamore | Chair, Civic Advisory Committee
- Carol Wolfe | Community Revitalization Coordinator, Massachusetts Department of Housing and Community Development
- Edward Lonergan | Attorney, SRA member 1973, Boston Redevelopment Authority staff member 1974-1979



APPENDIX D: SOMERVISION, IN BRIEF^{lxvii}

In 2012, the City of Somerville released *SomerVision* a comprehensive, 30-year master plan. Created over three years via an extensive public-vetting process led by a sixty person steering committee of experts, citizens, and public servants, *SomerVision* set goals for job creation, publicly-accessible open space, housing, public transit, and land-use redevelopment. The development proposed in *SomerVision* is focused around the six new transit stops of the Massachusetts Bay Area Transit Authority's Green Line Extension. The goals, or *SomerVision Numbers*, include:

- 30,000 new jobs as part of a responsible plan to create opportunity for all Somerville workers and entrepreneurs
- 125 new acres of publicly-accessible open space as part of a realistic plan to provide high-quality and well-programmed community spaces
- 6,000 new housing units - 1,200 permanently affordable as part of a sensitive plan to attract and retain Somerville's best asset: its people.
- 50% of new trips via transit, bike, or walking as part of an equitable plan for access and circulation to and through the City.
- 85% of new development in transformative areas as part of a predictable land use plan that protects neighborhood character

SomerVision includes detailed maps indicating areas to conserve (largely residential neighborhoods), areas to enhance (Somerville's "funky squares and corridors"), and areas to transform (five neighborhoods slated for significant development – Assembly Square, Union Square, Brickbottom, Inner Belt, and Boyton Yards). See Appendix XX for a map.

SomerVision also incorporates case studies of successful policy initiatives in each major policy area (such as transportation, housing, etc.), recommended action steps to achieve each goal, and an initial implementation plan to achieve each goal. Overall, the agenda outlined in *SomerVision* is a community-driven strategy to take Somerville forward into the future over the next thirty years.



APPENDIX E: URBAN RENEWAL - HISTORY, PURPOSE, AND FUNCTION

Urban renewal is a strategy for redeveloping and revitalizing areas that have experienced considerable disinvestment. Generally, municipalities across Massachusetts have established redevelopment agencies—such as the Somerville Redevelopment Authority—to design and implement urban renewal strategies in substandard, decadent, or blighted areas.

The following offers a brief overview of urban renewal, along with the process, the statutes, and structures that govern redevelopment authorities in Massachusetts.

What is redevelopment?

The American Planning Association defines redevelopment as the following:

Redevelopment describes public actions that are undertaken to stimulate activity when the private market is not providing sufficient capital and economic activity to achieve the desired level of improvement.^{lxviii}

In this way, redevelopment refers to government efforts and strategies to develop areas that have experienced significant private disinvestment and are usually designated as substandard, decadent, or blighted as a result. The lack of investment in these areas usually results in suboptimal economic growth, living standards, and social conditions.

As part of redevelopment initiatives, municipal governments can create and implement redevelopment urban renewal plans to promote reinvestment and stabilization of specific defined areas. In this sense, “redevelopment” is synonymous with “urban renewal,” though the latter refers more towards the particular movement during the mid-twentieth century.

What are redevelopment authorities?

All aspects of redevelopment fall within the purview of “redevelopment agencies,” including the Somerville Redevelopment Authority. These agencies are neither public nor private. They are not public since they are not an agency within the city government directly accountable to the mayor. They are also not private since the mayor or the governor appoints them and since their mission is also publicly-oriented with an eye towards enhancing social and economic outcomes for the Somerville community. Hence, redevelopment agencies are “quasi-public” agencies that act as independent bodies or commissions.

In Massachusetts, General Law Chapter 121B gives redevelopment authorities the power to clear an area is substandard, decadent, or blighted. It also allows redevelopment authorities to prepare an urban renewal plan for redevelopment and to exercise eminent domain land takings to further the purposes of its city’s urban renewal plans.

Redevelopment authorities are part of a municipal governments’ planning and economic development apparatus—along with various zoning boards and planning commissions—charged with overseeing all aspects of urban renewal and reinvestment in areas that have been designated substandard, decadent, or blighted. Ideally, each of these agencies work in



concert with one another to coordinate economic development strategies that meet the values and goals set out in municipalities' master plans, where they exist.

Please refer to *Section 5: Policy Options: The Range of Tools and Assets Employed by Redevelopment Authorities* for a comprehensive analysis of redevelopment authority powers.

What does the urban renewal process look like?

Urban renewal processes are extremely dependent on the specific context of the municipality in which they take place. Still, we can generalize what the process looks like in Massachusetts according to the steps in *Figure 3*.

Figure 3: The Urban Renewal Process in Somerville



First, the redevelopment agency identifies areas that would likely qualify for urban renewal. Second, the agency then develops an urban renewal plan. Third, the redevelopment authority, planning board, legislative body, and chief executive vote to approve the master plan. Fourth, the plan is subject to approval by the state according to specific guidelines it has set for urban renewal plans. Fifth, the city selects a developer or master developer to implement the urban renewal plan. Sixth, the plan is then implemented and development occurs over 5-20 years. Finally, the urban renewal area has transformed into an economically thriving and sustainable community.

Community involvement is a key component of the urban renewal process. In Somerville, for example, community involvement is woven throughout the redevelopment process. Similarly, the entire process should be guided by the goals and values of the city's master's plan.



Who participates in redevelopment authorities?

In Massachusetts, each redevelopment authority has five members. Of those five members, the municipal executive (e.g. the mayor) appoints four who then must be approved by the city council. The state, through the Department of Housing and Community Development, appoints the remaining member. Each member serves a staggered five year term. In most instances, one individual is designated the chair of the authority. The Chair leads the meetings and acts as the key liaison between the redevelopment authority and an Executive Director and/or other municipal staff supporting the redevelopment authority.

In addition to agency members, a number of other city officials work to coordinate economic development strategies. The SRA works directly with a city's planning, zoning, housing, and economic development offices. Most explicitly, some municipalities have hired an executive director and other staff members partially- or fully-dedicated to supporting their redevelopment authorities.

What is the history of redevelopment agencies?

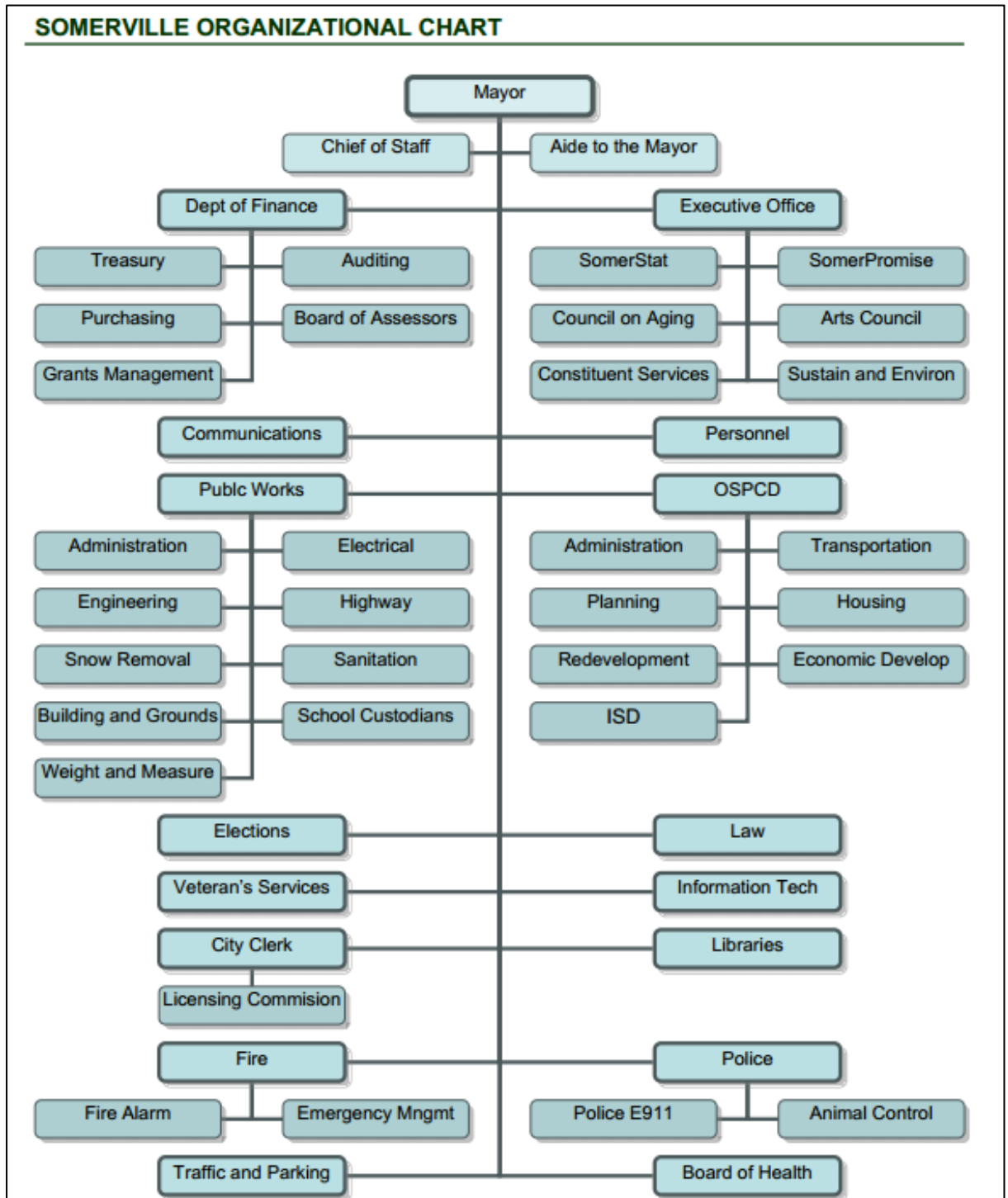
Municipalities across the United States originally began to charter redevelopment agencies in the 1950s and 1960s in response to the federal initiatives and grants encouraging municipal urban renewal projects. While those federal programs no longer exist, many redevelopment authorities continue to play the primary agency role in their municipalities with respect to redevelopment and community revitalization.

Across the United States the landscape of redevelopment authorities has changed dramatically in the past decade. Most recently, the California legislature passed and Governor Jerry Brown (D-CA) signed into law a bill that abolished the state's redevelopment authorities.^{lxi} This bill was later upheld by the State Supreme Court, despite appeals from California municipalities and redevelopment authorities.^{lxii}

This movement has been fuelled in part by increasing public perception that redevelopment agencies have been used to favor wealthy developers rather than to promote public value. While this perception exists to an extent in Massachusetts, there has not been any such dissolution movement in the Commonwealth.



APPENDIX F: ORGANIZATIONAL CHART, CITY OF SOMERVILLE^{lxxi}



APPENDIX G: REDEVELOPMENT AUTHORITY INTERVIEW SUMMARY

As determined by Massachusetts General Law 121B, all redevelopment authorities we spoke with are 5-member boards with four members appointed by the mayor and the fifth appointed by the governor. However, aside from that commonality, each redevelopment authority had specific staffing, financing, and operational characteristics unique to the municipality it serves. The following summarizes qualitative interviews with officials serving on or supporting in some capacity the redevelopment authority of each municipality.

Massachusetts Redevelopment Authorities – Main Findings		
City of Salem		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive director, who also serves as the Director of Planning and Community Development • No other independent staff members 	<ul style="list-style-type: none"> • No dedicated revenue stream • No financial benefit from property ownership (e.g. cede parking lot revenues to city) • Keeps proceeds from real estate transactions 	<ul style="list-style-type: none"> • RA owns some property from past work, but cedes management to the city • Today, ownership temporary; part of “property transfer” process when selecting developer • Can use profit from real estate transactions for administrative costs (e.g. hiring consultants; surveys; appraisals) • Unique design board with non-binding vote → RA for binding vote in urban renewal areas
City of Brockton		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive director • Staff of four – finance (1), programmatic (2), ED (1) • Board had selection committee for ED; selected at their discretion • ED hires staff, with board authority 	<ul style="list-style-type: none"> • Nearly all block grant funding, very little comes from the city • E.g. HOME grants, CDBGs, etc • Doesn’t have independent funding to acquire property 	<ul style="list-style-type: none"> • Only very recently has considered doing urban renewal projects • Receives and administers CDBGs and HOME funding (affordable housing grants) • Provides assistance for low and moderate income residents; works with nonprofits • Business loans (e.g. business loans for façade improvement) • Big focus on abandoned or foreclosed home; work with housing developers • Tries to not own or manage property, but often acts as receiver of property to bring up to state code



Massachusetts Redevelopment Authorities – Main Findings		
City of Cambridge		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive director, hired and reports to RA • All board members relatively new; RA “went dark” for a while and is only recently resurrected 	<ul style="list-style-type: none"> • Is self-financing due to acquisition and selling of property; massive development • Money from land holding rights and sale to developer 	<ul style="list-style-type: none"> • Recently strategic planning process: What structure made sense for Cambridge? • Examined history, needs of city, interaction with other agencies, developed list of two dozen ideas and did strategic planning with community • Owns and manages property • Micro community grant program, public improvements; redistribute the value of development to the rest of the community • Lots of public private partnerships to induce market to serve public ends • Uses “courbanize.com” as platform for civic engagement • Suggests more transparency; not just open but proactive engagement beyond open meeting law requirements
City of Malden		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive director • Staff of ~16 people to manage programs, grants, loans (see financing) • Independent, doesn’t report to mayor, but works closely with other development agencies 	<ul style="list-style-type: none"> • Multiple revenue streams • Fees from owning (but not managing parking lots) • Administrative fees from federal and state grants – CDBGs, • Since the 90s close to \$16m in grants • Able to debt finance 	<ul style="list-style-type: none"> • Issues loans to get property up to code, rehabilitate houses • Owns parking garages and contracts management out to consultant • HOME (affordable housing) and CDBG grants • Does much more than redevelopment – housing, parking, infrastructure, community development • Has engaged neighborhood cities in regional redevelopment projects • Wants more modern community outreach (e.g. social media)
City of Worcester		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Chief Development Officer – head of all planning – is CEO of redevelopment authority • All staff is city staff; used to have independent staff but city stepped in after series of lawsuits in the 90s regarding takings decisions; restructured staffing accordingly so less independent 	<ul style="list-style-type: none"> • No independent funding sources, city appropriate operating capital for agreements • Owns one property but not enough revenue to sustain operations independently; financing to manage it annually appropriated in omnibus bill 	<ul style="list-style-type: none"> • Weekly meeting with all economic development stakeholders to coordinate actions • Board members – applicants for all city boards and commissions submitted to citizen committee • Committee makes recommendations, not binding, to city manager • Board members can serve no more than two terms • General model is to serve as property intermediary



Massachusetts Redevelopment Authorities – Main Findings		
City of Everett		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive Director of newly launched redevelopment authority also serves as Executive Director of Planning & Development • No other independent staff 	<ul style="list-style-type: none"> • Will require city council appropriations and federal and state grant funding 	<ul style="list-style-type: none"> • Newly approved RA; created in response to desire for urban renewal in Lower Broadway neighborhood • Casino project further reinforced the desire for an RA • Expect RA to be solely focused on urban renewal
City of Lowell		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Urban Renewal Project Manager supports City Council as the Redevelopment Authority along with team of city staff within the planning department 	<ul style="list-style-type: none"> • Federal and state grants • Public-private partnership with development partner Trinity Financial 	<ul style="list-style-type: none"> • City Council serves as RA due to '76 state law dissolving LRA and granting council RA powers • All property and revenues are therefore associated with the city • Focused on three urban renewal plans • Significant engagement with community as a result of city council involvement • Developed community groups in urban renewal neighborhoods without groups
City of Springfield		
Staffing	Financing	Operations/Policy
<ul style="list-style-type: none"> • Executive Director hired by city, fully dedicated to RA • No other independent staff 	<ul style="list-style-type: none"> • Extensive federal and state grants 	<ul style="list-style-type: none"> • Newest project \$85 million dollar – Union Station - doing fundraising and construction • Member of Develop Springfield • Working on Innovation District downtown



APPENDIX H: BACKGROUND ON SOMERVILLE

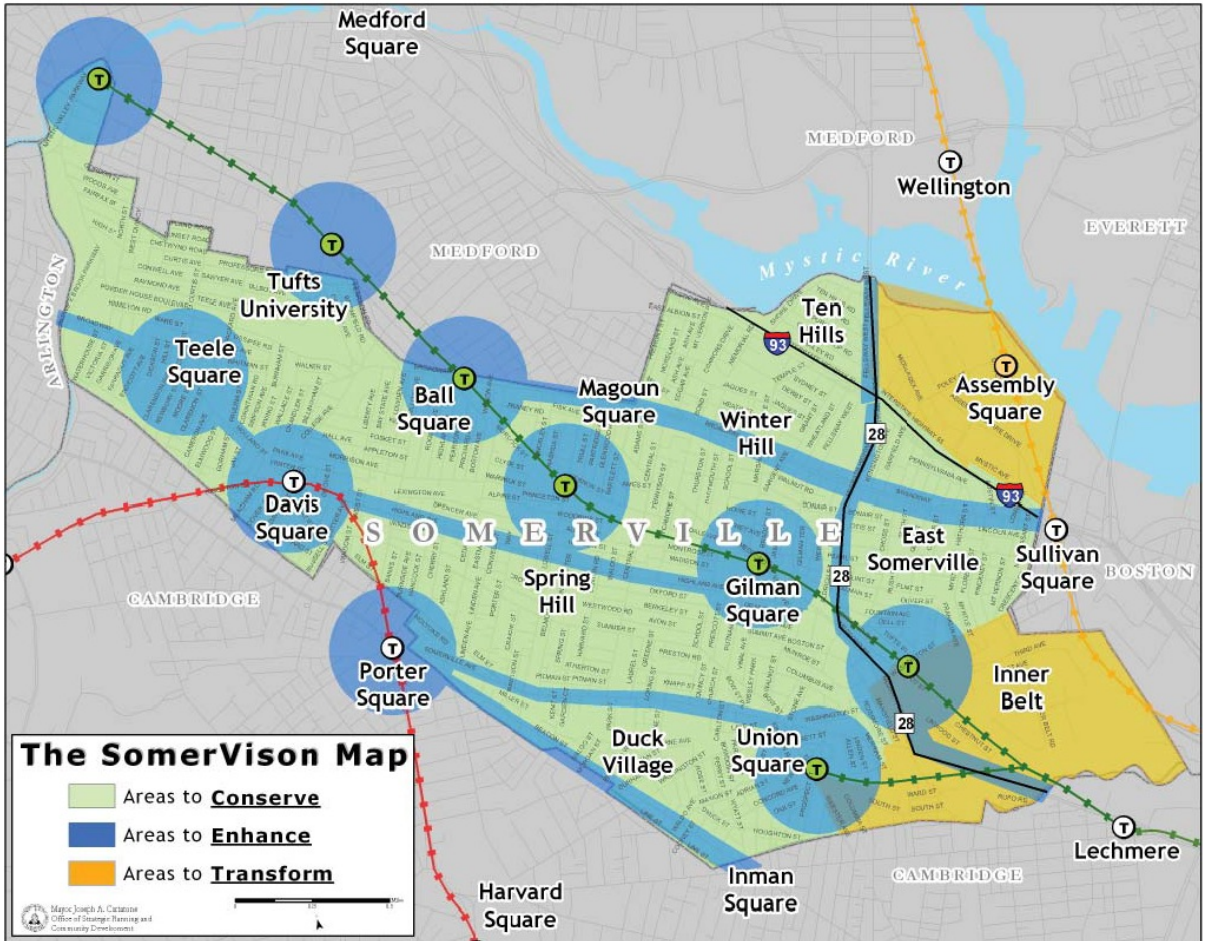
Somerville is a small city, geographically only 4.2 square miles, of approximately 80,000 residents. Like many cities in New England, Somerville is organized around neighborhoods called “squares,” which act as centers of commercial activity. For example, Davis Square and Union Square represent bustling parts of the city with restaurants, coffee shops, and independent boutiques. Located just north of Cambridge, the City of Somerville attracts students (due to its proximity to Harvard, MIT, and Tufts), young professionals, and young families. The population is highly educated, with about a quarter of the population with bachelor’s degrees and another quarter of the population with graduate or professional degrees. Somerville also boasts a large community of artists, which contributes to the creative, innovative culture of the community.

Historically, the City of Somerville was made up of largely Italian and Irish immigrant communities that worked in traditional manufacturing industries. Similar to many other cities in Massachusetts and in the United States, Somerville saw the manufacturing facilities that employed many residents close in the 1970s. Therefore, over the last two decades of the 20th century, Somerville experienced relatively low levels economic growth and real estate investment. Consequently, there was relatively little economic development activity undertaken by the City of Somerville during that time. However, over the last 8-10 years, Somerville residents have benefited from the growth of highly skilled technology-related jobs in the Boston metro area, particularly Cambridge. Recently, Somerville’s proximity to jobs, to major universities, and to public transit (particularly with the anticipated Green Line Extension) has led to slow, but somewhat steady increases in the number of small businesses as restaurants, coffee shops, and independent boutiques open their doors to Somerville residents and visitors from neighboring cities.

Somerville’s transition away from manufacturing has created opportunities for major urban renewal and redevelopment projects. Mayor Joseph Curtatone has been instrumental in initiating these projects and planning for future projects over the course of his six terms in office. When economic development projects have been initiated by the City, these projects have been undertaken by a partnership between the City of Somerville’s Office of Strategic Planning and Community Development (OSPCD) and the Somerville Redevelopment Authority (SRA).



APPENDIX I: SOMERVISION MAP^{lxxii}



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