

I am disappointed that we have to be here today. I have called this meeting in my capacity as the sole member of the Cambridge Waterfront Development Incorporated, or CWDI.

CWDI is a nonprofit, nonstock corporation. Pursuant to Article III (b) of the original and current Articles of Incorporation for CWDI, the Mayor of Cambridge is the one member of CWDI, with the authority of a sole member as provided under Maryland law and the corporation's governing documents.

This was the structure put in place when CWDI was established in 2018 when the vision for it was to assist the city and represent it in the development of what is now called Cambridge Harbor. It was to address the day-to-day issues of this development by being the negotiator and watchdog for the community—essentially an owner's representative—with those organizations or individuals that came forward to invest in developing and creating this space.

It remains the structure now. CWDI appears to see its purpose as having changed to being the developer of the property despite the clear direction of the founding documents and the property transfer agreement signed by the city and CWDI.

The role of mayor as sole member emphasizes the critical and foundational role of the City of Cambridge in establishing CWDI, contributing assets toward the development of the Harbor project, and ultimately holding authority of all land use and tax increment financing decisions related to the project.

I have had the honor of serving as Mayor of Cambridge since I was elected in September of 2022. I also had the honor of serving as a Commissioner representing Ward 1 when CWDI was established in 2018. I have familiarity with the purpose and

governance of CWDI from my years of service as an elected official representing the people of Cambridge.

Over the last year, City of Cambridge officials have been increasingly alarmed with the direction of CWDI as determined by its Board of Directors and Executive Director. My intention this morning was not to rehash any of these concerns in a public forum. My intention was not to go into details of the development proposal itself or debate topics swirling around the Cambridge Harbor project.

Instead, my intention was to provide an opportunity for CWDI and the City of Cambridge to get back on track with a cooperative arrangement that reflects the original intention of CWDI. I view today's meeting as an invitation to CWDI to move the relationship to a positive track. I hope the Board of Directors and Executive Director will accept my invitation as the sole member of CWDI.

In my position as the sole member, I am considering amendments to the Articles of Incorporation. I have available a red-lined copy of those proposed amendments to the Articles from its current, 2022 version. I also have a clean copy of the proposed Articles of Incorporation.

I welcome comments from the public and the advice of the Board of Directors of CWDI concerning these proposed amendments. I will convene another session in the next 10 days after considering comments and advice to make my final decision.

In the meantime, I will highlight a few key components of the amendments I am proposing as the sole member of CWDI.

1. The proposed amendment to Article III (b) is to clarify that if the position of mayor is ever vacant, as it was in 2022, the President of the Commissioners of Cambridge shall serve as the sole member of CWDI until such time as Cambridge has a Mayor. This is necessary to ensure continued City of Cambridge's leadership in the event that the mayoral

position is ever vacant again. In 2022, when the Mayor position was vacant, the Board of Directors amended the articles of incorporation. The proposed amendment makes it clear that the Board of Directors will always be responsive to the sole member of the corporation, the City of Cambridge, as represented by its Mayor, or in the event of a mayoral vacancy, the President of the Commissioners. Thus, CWDI will always be responsive to the City of Cambridge's duly elected leadership. The work of CWDI involves assets paid for by public funds and the public mission on behalf of the City. Accordingly, the CWDI must ultimately be accountable to public officials elected by the public, and accountable to the public. Given the differences of opinion that have developed between the city and CWDI, having CWDI board become the sole member in the future is not acceptable.

2. The proposed amendment makes it clear that the member of the corporation has the right to attend all CWDI meetings, open or closed, and inspect all records of CWDI. The current position of the Executive Director and, presumably, the Board of Directors is that the member has no right to attend the closed meetings of CWDI. It is critical that CWDI operate with transparency and accountability to the sole member, who is elected by the voters of Cambridge, that also includes having access to the corporate documents of CWDI.
3. I am also seeking to clarify that the Articles of Incorporation shall govern over the Bylaws of CWDI. The Board of Directors are empowered to amend the Bylaws of CWDI provided the bylaws do not in any way contradict or conflict with the Articles of Incorporation. Moreover, any proposed amendments to the Bylaws have to be provided

to the member (either the Mayor or President of the Commission in the absence of a Mayor) fifteen days before the Board considers the amendments.

4. As sole member of CWDI, I am clarifying that the City, County, and State of Maryland have the authority to replace any appointee they make to the CWDI Board of Directors at any time. Keep in mind I believe, at least for the City of Cambridge, that it this authority already exists, but this amendment takes away any ability for anyone to assert otherwise. CWDI board members are and shall be accountable to the government entities that appoint them, subject to replacement as deemed appropriate by the governing entities with appointment powers.

I wish to reiterate that these proposed amendments by me as the sole member of the non-profit known as CWDI provides an opportunity for the Cambridge Harbor project to get back on track. There are many important and exciting aspects of the current plans. These amendments to the Articles make it more likely for the project to be successful. Ultimately, no major aspect of the Cambridge Harbor project can proceed without the approval of the Mayor and Commissioners, including land use approvals, and approvals of any tax-increment financing district. These amendments are consistent with the ultimate authority of the Mayor and Commissioners as provided by law, as well as the clear language in the documents that the Mayor of Cambridge shall serve as sole member of CWDI.

CWDI can, should they embrace the amendments to the Articles of Incorporation, regain the complete confidence of the City of Cambridge; and working in partnership, we can advance the project. I hope my friends on CWDI Board of

Directors embrace this opportunity. I encourage the public to read the proposed amendments and let me know your views prior to my taking further action in this matter.