

# Worcester Redevelopment Authority

Michael P. Angelini  
Chair

Peter Dunn  
Chief Executive Officer



## WORCESTER REDEVELOPMENT AUTHORITY

Thursday, January 12, 2023

9:00 A.M.

City Hall, Levi Lincoln Chamber  
Worcester, MA 01608

### CALL IN INFORMATION:

+1-415-655-0001 US Toll  
Access Code: 2318 484 1059

### Present:

#### *Worcester Redevelopment Authority Board*

Michael Angelini, Chair  
David Minasian, Vice Chair  
Jennifer Gaskin, Secretary  
Sherri Pitcher  
Richard Burke

#### *Staff*

Peter Dunn, Chief Executive Officer  
Michael Traynor, City Solicitor  
Alexis Delgado, WRA Finance Manager  
Julie Lynch, Director of Facilities  
Paul Morano, Office of Economic Development  
Greg Ormsby, Office of Economic Development  
Jane Bresnahan, Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 9:00 A.M. on Thursday, January 12, 2023

### 1. Call to Order

Mr. Dunn called the meeting to order at 9:04 A.M.

### 2. Roll Call

Mr. Dunn called the roll – Ms. Pitcher, Ms. Gaskin, Mr. Minasian, Mr. Burke and Chair Angelini.

Chair Angelini advised all votes will be taken by roll call.

**3. Approval of Minutes:** November 10, 2022

Mr. Burke left a message with Ms. Bresnahan stating that one part of the minutes #4 where it indicates that Mr. Burke made the motion and seconded the motion. Mr. Dunn advised it was regarding the Second Amendment for the Lease Agreement with MA Division of Capital Asset Management and Maintenance on behalf of MA Commission Against Discrimination relative to the Leased Premises at 484-500 Main Street in the minutes and will relisten to the tape and correct that appropriately. Chair Angelini remembered that Mr. Minasian seconded the motion, Mr. Minasian is confident that he seconded the motion.

Ms. Pitcher made a motion to approve the minutes with the correction.

Mr. Minasian and Mr. Burke seconded the motion.

The minutes were approved 5-0 on a roll call.

**New Business**

**1. Authorize Amendment to the Responsible Employer & Inclusionary Policy relative to new goals for Minority and Women Business Enterprises**

Chair Angelini mentioned the change is marked in yellow and asked there were any questions. Mr. Dunn explained this topic was discussed at a previous meeting. The M/WBE goals recommended in the UMass Donahue Institute are intended to be consistent across the Purchasing Division, Chapter 149 and other public construction, incorporating it into the TIP Policy we have for tax incentive projects that are done privately, and the Worcester Redevelopment Authority. The key percentage goals are fifteen percent for women owned business enterprises and ten percent minority owned enterprises. Mr. Dunn described the best practice of having specific intention for both minority business enterprises and women business enterprises making sure we have separate goals for each and attention for both underrepresented groups. The WRA has had a combined goal. Mr. Dunn further described there will be other aspects the city administration will be doing around capacity building, technical assistance, certification, workshops, and those types of topics. The key item for the WRA is concurring with those recommendations and considering this amendment to the policy. Mr. Dunn noted that the City Council did adopt the same on December 20, 2022.

Ms. Pitcher inquired about how the programs will be executed, whether partnering with other agencies and how will that happen. Mr. Dunn advised it is an interdepartmental initiative for the City and work is underway for the implementation strategies on the roles and responsibilities of different department stakeholders. The City would work with different partners, in particular with the certification process, working closely with State's Supplier Diversity Office which oversees the certification process. The workshops help folks understand what the certification process is, what it entails in terms of the documentation required to achieve that, and also trying to help demystify the whole world of government contracting. What types of goods and services are purchased by certain levels of government and how can businesses position themselves for success. We are diving in as well for different other barriers that exist one key thing that has come up is access to capital and some cases government does not pay on contracts as quickly as may be private sector entities pay on contracts and that gets even more complicated in public construction where there are many tiers. Mr. Dunn also briefly described some

other barriers that can exist and how the City will work to reduce barriers. Ms. Pitcher appreciated the response and detail.

Mr. Minasian thanked Mr. Dunn for acknowledging the barrier relative to payment schedules on government contracts. He asked Mr. Dunn if that can be reduced or addressed. Mr. Dunn explained most of the City's contracts, if not all of them, are a forty-five day turn-around for payment. Under President Obama, the Federal Government tried to drive that to thirty days for their contracts. There are other implications such as the different tiers that might exist. The City might be paying a general contractor within thirty to forty-five days but the invoice from the sub may have been given prior that, which is then prepared for their requisition to us. Mr. Traynor added that the City has a payment timeline in its contracts, but there is nothing in the statutes that mandates when the general contractor has to pay the subs. Mr. Minasian reiterated that it's something to think about and that it would likely benefit M/WBE businesses. Mr. Minasian asked for clarification if the ten percent and fifteen percent goals are for each contractor or is that for the job total and what role does the general contractor play in this? Mr. Dunn advised it relates to the total value of the contracts and subcontracts made by the contractor and a total goal for the procurement the WRA has undertaken. Mr. Dunn also explained that one limitation under Chapter 30B is the requirement to go with the lowest qualified bid so if the MBE or WBE is not the lowest qualified bid we do not have a lot of latitude to award that contract if it is not the lowest qualified bid.

Mr. Minasian asked about whether the WRA or the City of Worcester reviews the numbers coming in or monitors this process and how will the compliance play out. Mr. Dunn explained we are working on that approach comprehensively and how that will be handled across the different purchasing functions of the city, but also rolls up so that we understand how we are doing in the aggregate. There would be different project managers leading certain procurements and being responsible for the procurement. A good example would be The Cove Project. For the WRA, our office will be monitoring that and reporting that to the board as well, but that information will need to be shared in a central clearing house for the city of Worcester to understand how we are doing in the aggregates. There will be a few different departments working together on that and I know the City Manager's Office is thinking that through right now and where that lives and how that will function.

Mr. Minasian asked if the goals are requirements and what happens if there is a lack of effort or just not hitting the goals is there some action that is taken. Mr. Dunn advised information would be received from the contracting entity to see if they sent out opportunities to WBEs and MBEs that are on the certified list. That information would help get a sense of what effort was made and how that resonated in terms of good faith efforts. Mr. Dunn further advised they are goals and not quotas. For projects falling short there would need to be some explanation and evidence of their efforts.

Chair Angelini asked Mr. Traynor if he wanted to add something. Mr. Traynor added and confirmed that the evaluation is whether a bona-fide attempt was made. Mr. Minasian asked if that is measured by seeking pricing from those companies. Mr. Traynor confirmed and added that the larger projects with general contractors and non-filed sub bids, at-risk contracts, are where this can really work. As Mr. Dunn stated the Chapter 30B smaller ones it is as simple as the low bidder. Mr. Minasian asked how bona-fide opportunity is defined. Mr. Traynor replied an actual good faith effort not some charade. Chair Angelini appreciated the dialogue.

Mr. Minasian offered the following vote:

**Voted that the Worcester Redevelopment Authority hereby amends the Responsible Employer & Inclusionary Participation Policy adopted September 14, 2004, as most recently amended September 19, 2019, is hereby deleted in its entirety and the following is inserted in lieu thereof.**

Mr. Burke seconded the motion.

The item was approved on a 5-0 roll call

**2. Authorize Amendment 3 to the contract between the City of Worcester and Worcester Redevelopment Authority relative to 36 Washington Square demolition activities in the amount of \$94,162.50**

Mr. Dunn introduced the item, provided background information and described the additional work activities. Chair Angelini asked if it was correct to assume that these responsibilities described for this company were not contractual responsibilities under the existing contract. Mr. Dunn confirmed and explained there was additional work that was not anticipated based on what was uncovered and what the requirements of the railroad were for those issues. Mr. Minasian inquired as to the schedule of F&D and when will the demolition be complete. Mr. Dunn advised the project is close to wrapping up, some of this work has been done which was time sensitive and this item amends the contract to reflect that. Mr. Dunn continued that there might be a couple of cleanup activities going on there now, but the majority of the work is complete and wrapping up. Mr. Minasian asked if there is a start plan for First Bristol's project. Mr. Dunn advised that the title exam is ongoing now and they should hopefully have a site plan application to the Planning Board probably mid 2023 reflecting any type of constraints or encumbrances on the site per the title exam. The duration for the terms of conveyance for them to take ownership of the site is November 2023. Mr. Dunn suggested the construction start date is more likely to be 2024 and will take the better part of this year to continue with the due diligence, planning and entitlements to get prepared for construction. Mr. Minasian asked if Mr. Dunn believes they are confident in the market bouncing back. Mr. Dunn replied they are feeling more comfortable and why we were able to get to a stage of creating a new timeline for the terms of conveyance last month. Prior to that there was still uncertainty. Mr. Dunn added that Discover Central Massachusetts recently received data regarding the hospitality industry showing that our occupancy rates across Massachusetts and Worcester and have rebounded from the pandemic better than the National average, which is great to see.

Ms. Pitcher offered the following vote:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice chair to execute Amendment 3 to the intergovernmental agreement with the city of Worcester for the receipt of Community Block Grant Funds in the not to exceed amount of Ninety-Four Thousand, One Hundred Sixty-Two Dollars and No Cents (\$94,162.00) for the demolition of the structure at 36 Washington Square.**

Ms. Gaskin second the motion.

The item was approved on a 5-0 roll call.

Ms. Pitcher raised a question relative to Washington Square and the opportunity to evaluate the infrastructure and enhance that connection from downtown to Shrewsbury Street and the Canal District. We did all the work on Green Street Bridge, and we have the bridge at Washington Square it is an opportunity and something we should discuss in the future. Mr. Dunn agreed. Chair Angelini suggested it could be an agenda item at a future meeting.

### **3. 484-500 Main Street**

Mr. Dunn provided an updated on the status of activities at 484-500 Main Street. He described that no specific vote required for relocation activities but wanted to keep the Board updated. Thirty-day notices to vacate were issued with a date of January 12, 2023. As a result of the thirty-day notices there were a few written requests for extensions, included in the board packet. Two of the requests are for the end of the month - a couple of weeks extension, the other two are the end of February. All four of these remaining occupants been very communicative and cooperative with locations identified and getting the locations ready for their occupancy.

Mr. Burke asked once the building is vacated is there a need to have it secured since it will be a vacant building? Mr. Dunn advised the exterior doors are now locked, each of the remaining occupants and their employees they have key card access to the building. Moving forward there should be some savings as well from the operating costs. As it relates to the totally vacant building, that will be coordinated with Inspectional Services and the Fire Department regarding anything additional other than the exterior doors locked. Glickman & Kovago are still performing property management as well.

Chair Angelini asked if the full vacancy of the building will impact insurance coverage. Mr. Dunn appreciated the question and advised staff will check with our insurance agent, Sullivan Insurance.

Mr. Minasian asked if there are any additional costs for us to extend these four occupants. Mr. Dunn advised the costs are offset by the additional income. There would be marginal costs as the building is heated, but still need level to make sure none of the pipes freeze. There maybe a little savings in turning down the heat and electrical usage, but electric is already very low due to so few occupants. Chair Angelini added that independent of that, seems to be a reasonable accommodation to the tenants.

Mr. Minasian asked when the RFP is due. Mr. Dunn advised we are working through that right now and one thing we will be doing is posting the revised Responsible Employer & Inclusionary Policy relative to new goals for Minority and Women Business Enterprises as an addendum. The due date will also be extended for a couple of reasons, including inclusionary zoning. Mr. Minasian acknowledged the potential interest since there are questions being received.

Ms. Pitcher asked about the letters that were received from current occupants. The one from Faith Fellowship does not sound too confident about finding a space, which mentioned Front Street, and do we expect another extension request next month. Mr. Dunn advised there is consistent communication and optimism about Front Street. Mr. Dunn advised staff are also trying to help with parking options and will keep the board updated. Ms. Pitcher expressed concerned about it potentially being first floor space on Front Street. Mr. Dunn confirmed it is not. Chair Angelini appreciated the question.

4. **Financial Update Report**
  - a. **Report on Prior Month's Executed Contracts and Payments**
  - b. **Report on Downtown Urban Revitalization Plan Expenditures**

Mr. Dunn highlighted that the sources and uses and financial status of the Denholm Building are detailed and will be in the packet moving forward. In earlier conversation about tenant income, the income we have received is about \$200,000 since the acquisition of the building which is helpful in offsetting the operating costs of the building.

5. **Status Reports**
  - a. **Union Station**
  - b. **Downtown Urban Revitalization Plan.**

Mr. Dunn advised the key item on Union Station is the Food Hub. They are progressing with the construction documents for the bid, and we are working through the term sheets as well as the draft lease agreement and hoping to have that within the next couple of meetings as an item for the Board's consideration. Mr. Dunn also acknowledged the MBTA Center Platform progress and recent tour of the project. Mr. Minasian asked which architect is working on the Food Hub project. Mr. Dunn advised it is Nault Architects, which is being paid for by the Food Hub. They wanted to use Nault because of their depth of understanding of the building from their work with the WRA the last several years.

6. **Adjournment**

Chair Angelini recognized Ms. Gaskin's service to the Authority as it is her last meeting. Chair Angelini acknowledged her service since May 2014, eight and half years. He expressed appreciation for her public service and her efforts on the board. Ms. Gaskin thanked the Chair.

There being no further business, Mr. Dunn called the roll to adjourn the meeting at 9:43 A.M

Respectfully submitted,

Peter Dunn  
Chief Executive Officer